Wholesalers' Association of America; Wholesale Stationers' Association; National Stationery & Office Equipment Association; National Wholesale Jewelers Association; American Fishing Tackle Manufacturers Association; Archery Manufacturers & Dealers Association; National Association of House to House Installment Companies, Inc., Marine Manufacturers Safety Equipment Association; Gift & Decorative Accessories Association of America; Sporting Goods Jobbers Association; Billiard & Bowling Institute of America; American Watch Association, Inc.; Automotive Service Industry Association; Fountain Pen & Mechanical Pencil Manufacturers' Association, Inc.; National Wholesale Hardware Association; Watch Material Distributors of America; National Association of Bedding Manufacturers; the National Association of Shirt, Pajama and Sportswear Manufacturers.

National Industrial Distributors Association; Christian Booksellers Association; National Small Business Men's Association; National Congress of Petroleum Retailers; National Shoe Manufacturers Association; Wallcovering Wholesalers Association; American Reseach Merchandising Institute; American Retailers Association; National Art Materials Trade Association; Motor & Equipment Manufacturers Association; National Shoe Retailers Association; Northamerican Heating & Airconditioning Wholesalers, Inc.; American Watch Manufacturers Association; National Association of Women's & Children's Apparel Salesmen, Inc.; National Audio-Visual Association, Inc.; National Bicycle Dealers Association, Inc.; National Office Furniture Association, Inc.; National Outerwear & Sportswear Association; the Automotive Warehouse Distributors Association, Inc.; National Frozen Food Association, Inc.; American Association of Small Business; National Association of Glove Manufacturers; National Association of Retail Druggists; Paint & Wallpaper Association of America, Inc.; National Marine Products Association; Retail Tobacco Dealers of America; National Association of Tobacco Distributors; National Retail Farm Equipment Association; Conference of State Pharmaceutical Association Secretaries; American Pharmaceutical Association.

I thank you.

SENATE

TUESDAY, APRIL 17, 1962

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

God of all grace and glory, in these days of the earth's awakening, thrilling and throbbing with the loveliness of springtide, we thank Thee for every sacrament of beauty of which our enraptured senses drink as we bend in wonder at the petaled cups held up by bushes aflame with Thee.

As we lift to Thee our gratitude for this dear land of our love and prayer, our thought of her is glad with hope. Under Thee, her way is down no fatal slope, but up to freer sun and air—

Tried as by furnace fires and yet
By God's grace only stronger made
In future tasks before her set
She shall not lack the oldtime aid.

So runs our loyal dream of her. God of our fathers, make it true, as we rededicate ourselves anew to the preservation of the precious things we hold nearest our hearts, and won for us at so great a cost. Amen.

THE JOURNAL

On request of Mr. HUMPHREY, and by unanimous consent, the reading of the Journal of the proceedings of Monday, April 16, 1962, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, informed the Senate that, pursuant to the provisions of section 1, Public Law 86–420, the Speaker had appointed Mr. SAUND, of California; Mr. RUTHERFORD, of Texas; Mr. MONTOYA, of New Mexico; Mr. NIX, of Pennsylvania; Mr. MCDOWELL, of Delaware; Mr. INOUYE, of Hawaii; Mr. RIVERS, of South Carolina; Mr. CHIPERFIELD, of Illinois; Mr. WHALLEY, of Pennsylvania; Mr. SPRINGER, of Illinois; Mr. DERWINSKI, of Illinois; and Mr. REIFEL, of South Dakota as members of the U.S. delegation of the Mexico-United States Interparliamentary Group, on the part of the House.

The message announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 1057. An act to provide for a National Portrait Gallery as a bureau of the Smithsonian Institution; and

S. 1668. An act to authorize the imposition of forfeitures for certain violations of the rules and regulations of the Federal Communications Commission in the common carrier and safety and special fields.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H.R. 298. An act to provide for the recovery from tortiously liable third persons of the cost of hospital and medical care and treatment furnished by the United States;

H.R. 4856. An act to amend sections 334, 367, and 369 of the Bankruptcy Act (11 U.S.C. 734, 767, 769) and to add a new section 355 so as to require claims to be filed and to limit the time within which claims may be filed in chapter XI (arrangement) proceedings to the time prescribed by section 57n of the Bankruptcy Act (11 U.S.C. 93n);

H.R. 4901. An act to amend section 904, title 38, United States Code, so that burial allowances might be paid in cases where discharges were changed by competent authority after death of the veteran from dishonorable to conditions other than dishonorable;

H.R. 5149. An act to amend subdivision d of section 60 of the Bankruptcy Act (11 U.S.C. 96d) so as to give the court authority on its own motion to reexamine attorney fees paid or to be paid in a bankruptcy proceeding;

H.R. 6984. An act to provide for a method of payment of indirect costs of research and development contracted by the Federal Government at universities, colleges, and other educational institutions;

H.R. 9752. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the World Jamboree of Boy Scouts to be held in Greece in 1963, and for other purposes;

H.R. 10786. An act to establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia, and for other purposes;

H.R. 11131. An act to authorize certain construction at military installations, and for other purposes;

H.J. Res. 449. Joint resolution providing for the establishing of the former dwelling house of Alexander Hamilton as a national memorial; and

H.J. Res. 641. Joint resolution designating February 20 of each year as John Glenn Day.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 683. An act to amend the Communications Act of 1934, as amended, by eliminating the requirements of an oath or affirmation on certain documents filed with Federal Communications Commission;

S. 1371. An act to amend subsection (e) of section 307 of the Communications Act of 1934, as amended, to permit the Commission to renew a station license in the safety and special radio services more than 30 days prior to expiration of the original license;

S. 1589. An act to amend the Communications Act of 1934 to authorize the issuance of radio operator licenses to nationals of the United States;

S. 2522. An act to defer the collection of irrigation maintenance and operation charges for calendar year 1962 on lands within the Angostura unit, Missouri River Basin project; and

S.J. Res. 147. Joint resolution providing for the establishment of the North Carolina Tercentenary Celebration Commission to formulate and implement plans to commemorate the 300th anniversary of the State of North Carolina, and for other purposes.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated:

H.R. 298. An act to provide for the recovery from tortiously liable third persons of the cost of hospital and medical care and treatment furnished by the United States;

H.R. 4856. An act to amend sections 334, 367, and 369 of the Bankruptcy Act (11 U.S.C. 734, 767, 769) and to add a new section 355 so as to require claims to be filed and to limit the time within which claims may be filed in chapter XI (arrangement) proceedings to the time prescribed by section 57n of the Bankruptcy Act (11 U.S.C. 93n);

H.R. 5149. An act to amend subdivision d of section 60 of the Bankruptcy Act (11 U.S.C. 96d) so as to give the court authority on its own motion to reexamine attorney fees paid or to be paid in a bankruptcy proceeding; and

H.J. Res. 641. Joint resolution designating February 20 of each year as John Glenn Day; to the Committee on the Judiciary.

H.R. 4901. An act to amend section 904, title 38, United States Code, so that burial allowances might be paid in cases where discharges were changed by competent authority after death of the veteran from dishonorable to conditions other than dishonorable; to the Committee on Finance.

H.R. 6984. An act to provide for a method of payment of indirect costs of research and development contracted by the Federal Government at universities, colleges, and other educational institutions; to the Committee on Government Operations.

H.R. 9752. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the World Jamboree of Boy Scouts to be held in Greece in 1963, and for other purposes; and

H.R. 11131. An act to authorize certain construction at military installations, and for other purposes; to the Committee on Armed Services.

H.R. 10786. An act to establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia, and for other purposes; to the Committee on Labor and Public Welfare.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. HUMPHREY, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The absence of a quorum has been suggested; and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. HUMPHREY, and by unanimous consent, the following subcommittees were authorized to meet during the session of the Senate today:

The Antitrust and Monopoly Subcommittee of the Judiciary Committee.

The Permanent Subcommittee on Investigations, of the Committee on Government Operations.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

AMENDMENT OF FEDERAL RESERVE ACT, RELATING TO ADJUSTMENT OF CERTAIN SALARIES

A communication from the President of the United States, transmitting a draft of proposed legislation to amend the Federal Reserve Act to adjust the terms of the Chairman and Vice Chairman of the Board of Governors of the Federal Reserve System, to increase the salaries of members of such Board, and for other purposes (with an accompanying paper); to the Committee on Banking and Currency.

REPORT ON OVEROBLIGATION OF AN APPROPRIATION

A letter from the Secretary of Health, Education, and Welfare, reporting, pursuant to law, on the overobligation of an appropriation within that Department, for the fiscal year 1961; to the Committee on Appropriations.

AMENDMENT OF TITLE III OF FEDERAL CIVIL DEFENSE ACT OF 1950

A letter from the Director, Office of Emergency Planning, Executive Office of the President, transmitting a draft of proposed legislation to amend the provisions of title III of the Federal Civil Defense Act of 1950, as amended (with an accompanying paper); to the Committee on Armed Services.

NOTICE OF PROPOSED DISPOSITION OF CERTAIN SILK WASTE

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting, pursuant to law, a copy of a notice to be published in the Federal Register of a proposed disposition of approximately 961,061 pounds of silk waste now held in the national stockpile (with an accompanying paper); to the Committee on Armed Services.

REVIEW OF ADMINISTRATION OF CONSTRUCTION OF LAUNCH FACILITIES FOR THE ATLAS AND TITAN INTERCONTINENTAL BALLISTIC MISSILES

A letter from the Comptroller General of the United States, reviewing, for the information of the Senate, the administration of construction of launch facilities for the Atlas and Titan intercontinental ballistic missiles at selected Air Force bases; to the Committee on Government Operations.

AUDIT REPORT ON VIRGIN ISLANDS CORPORATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Virgin Islands Corporation, fiscal year 1961 (with an accompanying report); to the Committee on Government Operations.

OCCUPATIONAL SAFETY ACT

A letter from the Secretary of Labor, transmitting a draft of proposed legislation to provide for assistance to States in the promotion, establishment, and maintenance of safe workplaces and work practices, thereby reducing human suffering and financial loss and increasing production through safeguarding available manpower (with accompanying papers); to the Committee on Labor and Public Welfare.

COST ASCERTAINMENT REPORT OF POST OFFICE DEPARTMENT

A letter from the Postmaster General, transmitting, pursuant to law, the Cost Ascertainment Report of the Post Office Department, for the fiscal year 1961 (with an accompanying report); to the Committee on Post Office and Civil Service.

REPORT ON SURVEY OF POSTAL RATES

A letter from the Postmaster General, transmitting, pursuant to law, a report on a survey of postal rates, dated April 15, 1962 (with an accompanying report); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

Two joint resolutions of the Legislature of the State of California; to the Committee on Commerce:

"SENATE JOINT RESOLUTION 2

"Joint resolution relative to west coast shipbuilding

"Whereas the Congress of the United States in its wisdom has provided in subsection (d) of section 502 of the Merchant Marine Act 1936 (49 Stat. 1985), for a 6-percent differential for bids of West coast shipyards for the construction of ships to be operated by steamship companies whose home office is located at Pacific coast ports; and

"Whereas the shipbuilders of the eastern and gulf coasts, without the aid of a comparison of ship construction costs, are presently seeking in the Congress of the United States to repeal this 6-percent differential; and

"Whereas the Western Shipbuilding Association has proposed an impartial study of comparative construction costs on the Atlantic, Gulf and Pacific coasts; and

"Whereas the retention of the 6-percent differential is vital for the preservation of the west coast shipbuilding industry because of the higher construction costs of this area; and

"Whereas the security of the United States requires a healthy and vigorous shipbuilding industry on the Pacific coast as well as on the Atlantic and Gulf seaboards; and

"Whereas not only California but the other 12 Western States including Alaska and Hawaii will be affected by the proposed repeal of the 6-percent differential, since they furnish both raw materials and manpower to the shipbuilding industry on the Pacific coast: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly. That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to authorize the proposed study, to retain the 6-percent differential allowed for bids of West Coast shipyards for the construction of ships, and to take any further action indicated as appropriate by the results of the study; and be it further

"Resolved, That the secretary of the senate is directed to send copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California, and the other 12 Western States, in the Congress of the United States, and to Thomas Crowley, Jr., chairman of the California Governor's Committee for Ship Construction and Repair, Thomas A. Rotell, executive secretary of the Pacific Coast Metal Trades District Council, Hugh Gallagher, chairman of the San Francisco Mayor's Committee for Shipping, Shipbuilding, and Ship Repair, and J. A. Byington, president of the Western Shipbuilding Association."

"SENATE JOINT RESOLUTION 12

"Joint resolution relative to supplemental air carriers

"Whereas official accident statistics of the Civil Aeronautics Board, as set forth at page VII–29 of the 1961 edition of the Board's Handbook of Airline Statistics, show that for the entire 12-year period 1949 through 1960 the accident rate of the supplemental air carriers has been consistently and substantially higher than that of the certified route carriers, whether measured by total accidents or by fatal accidents per million miles flown; and

"Whereas in recent months the Chairman of the Civil Aeronautics Board, the Administrator of the Federal Aviation Agency, and other responsible and knowledgeable public officials are reported to have testified and admitted publicly that the inadequate financial resources of many supplemental air carriers are conducive to substandard maintenance and operating practices and to inadequate safety measures, to the danger of the public; and

"Whereas the adverse consequences to the public of operations by financially irresponsible supplemental air carriers are not limited to death and physical injury, but often encompass financial loss and severe personal hardship, as witness the stranding of 103 members of the Erin's Own Club of Chicago, Ill. for 6 days at the Shannon,

Ireland, Airport in October 1961, because the supplemental air carrier was unable to meet its bills and pay for gasoline for the return flight to Chicago; and the stranding in London of 88 members of the British American Club of Los Angeles in October 1961, who chartered an airplane from a supplemental air carrier; and

"Whereas for the past 15 years the Civil Aeronautics Board, in repeated enforcement proceedings, has proved to be incapable of enforcing the frequency limitations and regulations of supplemental air carriers as evidenced by those decisions and by the testimony of the Chairman of the Civil Aeronautics Board before the Hardy House Subcommittee investigations; and

"Whereas there is now pending before the Congress of the United States of America legislation to amend the Federal Aviation Act of 1958 to provide for the licensing of supplemental air carriers: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California hereby memorializes the Congress of the United States of America to incorporate into said pending legislation, or otherwise to provide by any necessary and appropriate legislation, such stringent standards of fitness, and such powers for and directives to the Civil Aeronautics Board and the Federal Aviation Agency, as will insure that no supplemental air carrier will hereafter be authorized to operate unless it has adequate financial resources, adequately skilled personnel, and competent management, so that its operations will be conducted lawfully and with the highest standards of operations, engineering and maintenance and of responsibility to the public; and be it further

"Resolved, That the Legislature of the State of California hereby memorializes the Civil Aeronautics Board and the Federal Aviation Agency to utilize all their lawful powers to eradicate from the supplemental air carrier industry companies and managerial personnel who lack the financial resources, fitness, willingness, ability, or other qualifications, to conduct their business lawfully and with the highest standards of operations, engineering, maintenance, and responsibility to the public; and be it further

"Resolved, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Civil Aeronautics Board, and to the Federal Aviation Agency."

Two joint resolutions of the Legislature of the State of California; to the Committee on Finance:

"SENATE JOINT RESOLUTION 7

"Joint resolution relating to imports of livestock and livestock products

"Whereas the sheep and cattle industry of the United States has for the 3 years past sought adequate protection from excessive imports from low-wage foreign countries; and

"Whereas livestock production, employment and related business in the producing communities have been seriously curtailed and are threatened with further curtailment; and

"Whereas definite relief for the livestock industry was unanimously recommended by the National Wool Growers Association and American National Cattlemen's Association, which recommendation was preceded by a thorough investigation made by the U.S. Department of Agriculture upon the request of the industry, the Congress, and administration officials; and

"Whereas the Wool Act was provided for the sheep industry by the President and the Congress in lieu of the recommended tariff relief; and

"Whereas the effectiveness of the Wool Act has been seriously hampered by excessive importations of wool fabrics and lambs selling at prices below our costs of production, which has resulted in a progressive decline in sheep production in many areas: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to provide immediate relief under the terms of the escape or peril-point clause of the Trade Agreements Act or by establishing import quotas or any other appropriate action to relieve the stock-raising industry of the United States from the vast and ever-increasing quantities of meat and meat products, hides, wool, woolens, and other related products flooding our domestic markets; and be it further

"Resolved, That the secretary of the senate is directed to transmit a copy of the resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

"SENATE JOINT RESOLUTION 10

"Joint resolution relating to the illegal traffic in narcotics

"Whereas illegal traffic in, and use of, narcotics has increased from year to year, particularly in California; and

"Whereas narcotics are a serious menace to the health and well-being of the citizens of California and of the United States; and

"Whereas illegal traffic in, and use of, narcotics is a primary cause of crime in California and the United States; and

"Whereas illegal traffic in, and use of, narcotics is a cause of much juvenile delinquency in California and the United States; and

"Whereas illegal traffic in, and use of, narcotics weakens the moral fiber of our children and threatens the future of our State and nation; and

"Whereas the primary sources of the illegal narcotics traffic are outside of California and the United States; and

"Whereas this illegal traffic in depravity must be stopped: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes and urges the President and the Congress of the United States, and the U.S. Department of State, to take whatever steps are necessary to induce nations, which are the source of the illegal traffic in narcotics, to increase their efforts and to stop such flow of narcotics from their nation to ours; and be it further

"Resolved, That the secretary of the senate is hereby directed to transmit suitably prepared copies of this resolution to the President, the Vice President, the U.S. Secretary of State, the Speaker of the House of Representatives and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on the Judiciary:

"SENATE JOINT RESOLUTION 11

"Joint resolution relative to amending the 16th amendment

"Whereas amendment 10 of the Constitution of the United States provides that powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people; and

"Whereas amendment 16 of the Constitution of the United States provides that Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration; and

"Whereas all interest upon bonds and other obligations of States, territories, and possessions of the United States and of political subdivisions thereof is, under present statutes, regulations, and court decisions, exempt from Federal income taxes and, as a consequence of such exemption, such obligations sell at substantially lower interest rates than if such exemption were not available, thereby effecting substantial savings in interest costs to the respective issuers of such obligations and to the taxpayers of such issuers; and

"Whereas frequent attacks on the tax immunity of bonds and other obligations of States, territories, and possessions of the United States and of political subdivisions thereof endangers their essential governmental functions and threatens an untenable increase in the cost of financing needed public works projects, including vitally needed public schools and other State and local governmental needs; and

"Whereas it is imperative to the continued financial well-being of all such issuers that such exemption be permanently established and continued as to all such obligations now outstanding or hereafter issued, so that needed public improvements of said respective issuers may be financed at the lowest possible cost to said issuers and their taxpayers: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the Congress of the United States to adopt an amendment to amendment 16 of the Constitution of the United States to exempt from taxes on income on which the Congress has power to lay and collect taxes, all interest upon the obligations of any State, territory, or possession of the United States, or any political subdivision of any thereof which is a municipal corporation or to which has been delegated the right to exercise part of the sovereign power of such State, territory, or possession, or the District of Columbia; and be it further

"Resolved, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the President of the Senate of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to each Governor of these United States."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHAVEZ, from the Committee on Public Works, with amendments:

S. 819. A bill to provide for suitable works of art in Federal buildings (Rept. No. 1343).

INVESTIGATION OF CERTAIN ASPECTS OF NATIONAL SECURITY METHODS—REPORT OF A COMMITTEE

Mr. JACKSON, from the Committee on Government Operations, reported an original resolution (S. Res. 332) to investigate certain aspects of national security methods, which was referred to

the Committee on Rules and Administration, as follows:

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by section 134 of the Legislative Reorganization Act of 1946, and in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Government Operations, or any subcommittee thereof, is authorized, from the date of approval of this resolution to January 31, 1963, to make studies as to the efficiency and economy of operations of all branches and functions of the Government with particular reference to:

(1) the effectiveness of present national security methods, staffing, and processes as tested against the requirements imposed by the rapidly mounting complexity of national security problems;

(2) the capacity of present national security staffing, methods, and processes to make full use of the Nation's resources of knowledge, talents, and skills; and

(3) with the prior consent of the head of means to improve these methods and processes.

SEC. 2. For the purposes of this resolution, the committee, from date of approval of this resolution to January 31, 1963, inclusive, is authorized—

(1) to make such expenditures as it deems advisable;

(2) to employ upon a temporary basis and fix the compensation of technical, clerical, and other assistants and consultants: *Provided,* That the minority of the committee is authorized at its discretion to select one employee for appointment; and

(3) with the prior consent of the head of the department or agency concerned, and the Committee on Rules and Administration, to utilize on a reimbursable basis the services, information, facilities, and personnel of any department or agency of the Government.

SEC. 3. Expenses of the committee under this resolution, which shall not exceed $70,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

REPORT ENTITLED "FREEDOM OF COMMUNICATIONS" (PT. 6 OF REPT. NO. 994)

Mr. MAGNUSON. Mr. President, on September 13, 1961, I had leave of the Senate to file Senate Report No. 994 in six parts. This report was authorized by the Senate in Senate Resolution 305, 2d session of the 86th Congress. Part I was filed on September 13, 1961; part II was filed November 28, 1961; part III was filed December 11, 1961; part IV was filed December 12, 1961; part V was filed January 9, 1962.

I ask unanimous consent for leave to file part VI, that final part of the report.

This recommendation part of the report of the Freedom of Communications Subcommittee—a subcommittee of the Communications Subcommittee of the Commerce Committee — presents the final results of a study begun in 1960. The conclusions and recommendations it contains have neither been approved, disapproved, nor considered by the Communications Subcommittee or by the Commerce Committee.

I think the recommendations are provocative and timely. It is from such studies as this that the Senate will garner the information it needs to be able to legislate intelligently in the field of Government-licensed media.

In the marketplace of ideas, there is always room for the fresh approach—a new look at our traditional ways of thinking about things. The thrust of these recommendations is toward more discussion of controversial issues on Government-licensed media. Responsible controversy is good for the body politic. If the recommendations provoke discussion, and I hope they do, that will be good. It is out of the give and take of recommendation and alternative that we achieve sound judgment for public policy.

The PRESIDING OFFICER (Mr. SMITH of Massachusetts in the chair). The report will be received and printed.

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. DIRKSEN (by request):

S. 3183. A bill for the relief of Erman-Howell Division, Luria Steel & Trading Corp.; to the Committee on the Judiciary.

By Mr. ENGLE:

S. 3184. A bill to direct the Secretary of the Interior to initiate a salmon and steelhead development program in California; to the Committee on Commerce.

(See the remarks of Mr. ENGLE when he introduced the above bill, which appear under a separate heading.)

By Mr. MILLER (for himself and Mr. HICKENLOOPER):

S. 3185. A bill to authorize the Secretary of Commerce to approve a bridge on Interstate Highway 29 at Sioux City, Iowa, as part of the National System of Interstate and Defense Highways; to the Committee on Public Works.

By Mr. BOGGS:

S. 3186. A bill for the relief of Einar Christian Pedersen; to the Committee on the Judiciary.

By Mr. COTTON:

S. 3187. A bill to amend the Federal Aviation Act of 1958 with respect to the ratemaking elements in the transportation of mail; to the Committee on Commerce.

(See the remarks of Mr. COTTON when he introduced the above bill, which appear under a separate heading.)

By Mr. HARTKE (for himself and Mr. CAPEHART):

S. 3188. A bill to authorize the improvement for navigation of Burns Waterway Harbor, Ind.; to the Committee on Public Works.

(See the remarks of Mr. HARTKE when he introduced the above bill, which appear under a separate heading.)

By Mr. KEFAUVER:

S. 3189. A bill for the relief of Miss Mamie H. Winstead; to the Committee on the Judiciary.

By Mr. CHAVEZ (by request):

S. 3190. A bill to amend title 23, United States Code, with respect to the mileage of rural delivery and star routes used as a factor in apportionment of Federal-aid primary and secondary funds; to the Committee on Public Works.

(See the remarks of Mr. CHAVEZ when he introduced the above bill, which appear under a separate heading.)

By Mr. LONG of Hawaii:

S. 3191. A bill to amend section 202(b)(4) of the Housing Amendments of 1955 and section 103(a)(2) of the Housing Act of 1949; to the Committee on Banking and Currency.

(See the remarks of Mr. LONG of Hawaii when he introduced the above bill, which appear under a separate heading.)

By Mr. LONG of Louisiana (for himself and Mr. ELLENDER):

S. 3192. A bill authorizing improvements along the Mississippi River below New Orleans for prevention of hurricane tidal damages;

S. 3193. A bill authorizing modification of the Gulf Intracoastal Waterway, Louisiana and Texas, in the interest of navigation;

S. 3194. A bill authorizing modification of the existing project from the Intracoastal Waterway to Bayou Dulac, La. (Bayous Grand Caillou and Le Carpe), and maintenance of the Houma Navigation Canal; and

S. 3195. A bill authorizing modification of the existing project for the Mississippi River, Baton Rouge to the Gulf of Mexico, La., in the interest of navigation; to the Committee on Public Works.

(See the remarks of Mr. LONG of Louisiana when he introduced the above bills, which appear under separate headings.)

By Mr. LONG of Louisiana:

S. 3196. A bill to amend the Internal Revenue Code of 1954 to treat wholesale distributors of automobile glass as manfacturers for purposes of the tax on automobile parts and accessories; to the Committee on Finance.

(See the remarks of Mr. LONG of Louisiana when he introduced the above bill, which appear under a separate heading.)

RESOLUTIONS

INVESTIGATION OF IRREGULARITIES IN DEPARTMENT OF AGRICULTURE

Mr. WILLIAMS of Delaware submitted a resolution (S. Res. 331) to investigate irregularities in the activities of the various branches of the Department of Agriculture, which was referred to the Committee on Agriculture and Forestry.

(See the above resolution printed in full when submitted by Mr. WILLIAMS of Delaware, which appears under a separate heading.)

INVESTIGATION OF CERTAIN ASPECTS OF NATIONAL SECURITY METHODS

Mr. JACKSON, from the Committee on Government Operations, reported an original resolution (S. Res. 332) to investigate certain aspects of national security methods, which was referred to the Committee on Rules and Administration.

(See the above resolution printed in full when reported by Mr. JACKSON, which appears under the heading "Report of a Committee.")

SALMON AND STEELHEAD DEVELOPMENT PROGRAM IN CALIFORNIA

Mr. ENGLE. Mr. President, I introduce, for appropriate reference, a bill to authorize an anadromous fish development program for California. This is an administration measure, based on joint recommendations of the U.S. Fish and Wildlife Service and the California Department of Fish and Game. Although the construction and maintenance work proposed to be authorized is on rivers in California, the program would benefit the declining salmon and migratory trout fishery of the entire Pacific coast. Washington and Oregon

also are conerned with the welfare of the salmon and trout resources of California.

Existing facilities of the Bureau of Sport Fisheries of the Fish and Wildlife Service and those of the California Department of Fish and Game would be utilized to the fullest extent. Every dollar invested will be returned manyfold. The California Fish and Game Commission approved the program at a special meeting in Sacramento last week. I hope the Congress will approve it.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3184) to direct the Secretary of the Interior to initiate a salmon and steelhead development program in California, introduced by Mr. ENGLE, was received, read twice by its title, and referred to the Committee on Commerce.

AIRLINE SERVICE FOR NEW HAMPSHIRE AND NORTHERN NEW ENGLAND

Mr. COTTON. Mr. President, I introduce, for appropriate reference, a bill to amend the Federal Aviation Act of 1958 with respect to the ratemaking elements in the transportation of mail.

This bill is one more element in my efforts to meet the critical need for more and better airline service to New Hampshire and northern New England.

Public transportation facilities are essential for manufacturing and recreation, two of the most important industries of New Hampshire. Furthermore, the State's need for good transportation is magnified by our geographic location in one corner of the Nation; at the end of the line, as it were.

Despite our needs, public surface transportation has steadily withered. Railroad passenger service has been obliterated in many areas of the State, and all hopes for its improvement were extinguished long ago. Airline service is, thus, the principal form of speedy public transportation still available in northern New England.

One of the obstacles which has tripped our efforts to get better service is the fact that airline service in and to New Hampshire and northern New England is local service. The realities of our geography prevent it from being the long-haul traffic most desired by the airlines. The distances between our principal cities simply is not great. It is not, by nationwide standards, a long flight from New Hampshire to Boston, Albany, New York, or even Washington.

The airline serving the three States of northern New England has made, in my opinion, earnest efforts to provide effective and adequate service, but the short-haul, multistop operations are as much a problem to them as they are to the citizens of the region. These problems are clearly evidenced by the recent requests for curtailment of service. While the airline service is vital to these communities, it can only be provided at a loss to the carrier.

Ordinarily, the local service nature of the airline operation would not be a significant stumbling block. Adequate airline service is now being provided many areas of the country by local service carriers under the direction of the Civil Aeronautics Board. But New Hampshire's problem is compounded by the fact that its airline service is provided by a long-haul, trunkline carrier, Northeast Airlines, instead of by a local service airline.

The purpose of my bill is to give the Civil Aeronautics Board discretionary authority to treat one part of a carrier's operation as a local service operation. It will permit the CAB, in determining subsidy, to recognize that a part of a carrier's operations are of a local service nature, even though its total operations are not. It will permit the Board, in its discretion, to give adequate consideration to the special characteristics and special needs of airline service to New Hampshire and northern New England. If enacted, it will give us an improved opportunity to get the better airline service we so desperately need.

Mr. President, it is my intention to seek the speediest action possible on this bill so that the course of action it provides will be available at an early date in case the airline situation in New England should worsen.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3187) to amend the Federal Aviation Act of 1958 with respect to the ratemaking elements in the transportation of mail, introduced by Mr. COTTON, was received, read twice by its title, and referred to the Committee on Commerce.

IMPROVEMENT FOR NAVIGATION OF BURNS WATERWAY HARBOR, IND.

Mr. HARTKE. Mr. President, it is the good fortune of the State of Indiana to have a precious few miles on the southern tip of Lake Michigan along the St. Lawrence Seaway.

Since these miles are precious, encompassing industry and industrial potential as well as the raw beauty of virgin sand dunes, the best use to which all can be put has been in controversy for some time. One of America's most powerful industrial complexes has grown on these shores. One of Indiana's finest State parks preserves virgin dunes. Some of America's finest beaches grace the shoreline.

Nowhere in the 22 miles of shore is there a public port, open to all deep-draft shipping and controlled by an agency of the State government or any municipality. The Army Corps of Engineers recently completed a study of a site that has been selected by the Indiana Port Commission to determine the wisdom and feasibility of constructing such a deep-draft public port. The Engineers' report states that such a port, under certain conditions, is indeed feasible.

The State of Indiana has begun acquiring land at the port site, which is adjacent to the site of a rolling mill now being operated by Midwest Steel Co., a subsidiary of National Steel. It is flanked on the other side by a site owned by Bethlehem Steel Corp., acquired some 10 years ago, and upon which Bethlehem has stated it intends to build a mill. To the South are railroad lines and highways.

Construction of a port at this site would leave several miles of lakeshore for continued recreational and scenic development. Some 5,000 acres of dunes would remain for conservation by the Federal and State Governments.

In view of the fact that the site of the Burns Waterway Harbor lies within an area already developed by industry, it is my feeling and the feeling of my colleague that it is entirely consistent to continue such development while reserving land to the east for conservation and recreation purposes in a national seashore.

The two developments should not be confused.

The operation by a State-affiliated commission of a public port on the seaway has long been a dream of Hoosiers. It has been endorsed and promoted by Governors and legislators of both parties in Indiana.

Last week Governor Welsh and representatives of his administration met in Washington with me and two ranking members of the Senate Interior and Insular Affairs Committee. We informed our colleagues then that we anticipated introduction of an authorization bill for the construction of the Burns Waterway Harbor.

My senior colleague from Indiana [Mr. CAPEHART] is in the Chamber. As soon as he has made his statement, I will send to the desk my bill to accomplish this purpose. It is introduced on behalf of myself and my senior colleague. We understand that companion measures are being introduced today in the House of Representatives by the minority leader and by Representative ROUSH.

Mr. CAPEHART. Mr. President, the introduction of the authorization bill for deep sea harbor on the shore of Lake Michigan in northern Indiana represents an important stepping stone in a long-range effort of which I am proud to have been an advocate as a private citizen or an active participant as a U.S. Senator for more than a quarter of a century.

I am happy to say that in this effort has been the full force of Indiana's government, State and local, and it has been carried forward in the Congress with the complete cooperation at all times of the members of Indiana's congressional delegation.

When the project is completed it will open to world sea traffic the boundless products of Indiana's industry and agriculture and, in turn, will facilitate the movement of incoming commerce to Indiana's northern door.

The bill represents one of the most important pieces of legislation from Indiana's standpoint in which it has been my privilege to join in the nearly 18 years I have represented the Hoosier State in the Senate of the United States.

It is a fortunate thing, Mr. President, that there can be little controversy or fault-finding with this bill because it simply authorizes that which has been recommended by the Corps of Army Engineers after many, many years of careful and expert study.

It is a fortunate thing also that the project which this bill anticipates has the added advantage of affording not only commercial but recreational advantages in an area already nationally famous for its land of dunes.

Happily, the recreational and scenic natural advantages afforded by our dunes area will not in any way be impaired by the construction of the deep sea port.

In addition to its transportation and recreation advantages, the project envisioned in this bill likewise will bring—indeed has already brought—vast new industries to Indiana which will provide thousands upon thousands of new jobs.

This bill, Mr. President, is all "pluses."

I wish to add that the Corps of Army Engineers have authorized the construction of a deep sea harbor for the State of Indiana. We have been working on this matter for 25 years. We are the only State that borders on the Great Lakes which does not have a deep sea harbor, or at least one in preparation or being constructed. It is very much needed.

There has been some controversy over the question as to whether the land on which the harbor is to be built should be used for a harbor or a park.

My position today, as it has been for 25 years, is that there is plenty of space on the Michigan Lake shore for both a harbor and the expansion of industry, and for recreation facilities. This a good piece of legislation. It has been considered for years. It is nothing new. It is not something that people have rushed into without consideration. I am happy to join my colleague from Indiana [Mr. HARTKE] in introducing the proposed legislation.

Mr. HARTKE. Mr. President, I now send forward my bill and ask that it be appropriately referred.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3188) to authorize the improvement for navigation of Burns Waterway Harbor, Ind., introduced by Mr. HARTKE (for himself and Mr. CAPEHART), was received, read twice by its title, and referred to the Committee on Public Works.

AMENDMENT OF TITLE 23, UNITED STATES CODE, RELATING TO MILEAGE OF RURAL DELIVERY AND STAR ROUTES

Mr. CHAVEZ. Mr. President, by request, I introduce, for appropriate reference, a bill to amend title 23, United States Code, with respect to the mileage of rural delivery and star routes used as a factor in apportionment of Federal-aid primary and secondary funds. I ask unanimous consent that the letter from the Secretary of Commerce requesting the proposed legislation, be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 3190) to amend title 23, United State Code, with respect to the mileage of rural delivery and star routes used as a factor in apportionment of Federal-aid primary and secondary funds, introduced by Mr. CHAVEZ, by request, was received, read twice by its title, and referred to the Committee on Public Works.

The letter presented by Mr. CHAVEZ is as follows:

THE SECRETARY OF COMMERCE,
Washington, D.C., April 16, 1962.

The Honorable PRESIDENT OF THE SENATE,
Washington, D.C.

DEAR MR. PRESIDENT: The Department of Commerce has prepared and submits herewith as a part of its legislative program for the 87th Congress, 2d session, a draft of a proposed bill to amend title 23, United States Code, with respect to the mileage of rural delivery and star routes used as a factor in apportionment of Federal-aid primary and secondary funds.

Existing law stipulates that Federal-aid primary and secondary funds be apportioned partially on the basis of the ratio which the mileage of rural delivery routes and star routes in each State bears to the total mileage of rural delivery and star routes in all the States at the close of the next preceding fiscal year, as shown by a certificate of the Postmaster General, which he is directed to make and furnish annually to the Secretary of Commerce, 23 U.S.C. 104(b) (1), (2).

Federal-aid highway funds are normally apportioned during the midsummer or early fall for the next following fiscal year, but in any event apportionments are required, by the provisions of 23 U.S.C. section 104(b), to be made on or before January 1 next preceding the commencement of the fiscal year for which authorized. For example, the apportionment of fiscal year 1963 funds for the ABC program was made on October 10, 1961, and the latest such apportionment could have been made was January 1, 1962. This leaves a maximum of 6 months between the controlling date for mileage statistics and the date apportionments are made. Considerable difficulty has been experienced in obtaining the required mileage data for use in these apportionments, particularly when Federal-aid highway funds are apportioned during midsummer, as is most frequently the case. It is proposed, therefore, that the provisions of 23 U.S.C. section 104 be amended to allow the use of mileage statistics, for primary and secondary fund apportionment purposes, as of a date 6 months earlier than is now provided.

The enclosed draft bill would provide for an amendment to existing law as herein proposed. The Department of Commerce believes that enactment of this legislation would facilitate apportionment of Federal-aid primary and secondary funds computed on mileage data which may be obtained reasonably in advance of such apportionment without affecting the rationale upon which such funds are apportioned.

The Department of Commerce recommends the proposed legislation for the favorable consideration of the Congress.

We have been advised by the Bureau of the Budget that there would be no objection to the presentation of this proposed legislation from the standpoint of the administration's program.

Sincerely yours,

EDWARD GUDEMAN,
Under Secretary of Commerce.

S. 3190

A bill to amend title 23, United States Code, with respect to the mileage of rural delivery and star routes used as a factor in apportionment of Federal-aid primary and secondary funds

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) (1) of section 104 of title 23, United States Code, is hereby amended by striking the phrase "at the close of the next preceding fiscal year" and by inserting in lieu thereof "at the close of the next preceding calendar year".

AMENDMENT OF HOUSING AMENDMENTS OF 1955 AND HOUSING ACT OF 1949

Mr. LONG of Hawaii. Mr. President, I introduce, for appropriate reference, a bill designed to correct the inadvertent restrictions placed by certain provisions of the Housing Act of 1961—Public Law 87–70—upon full participation by 22 States, including Hawaii, in the Federal urban renewal and community facilities programs.

The effect of my bill would be to—

First. Qualify, for Federal community facilities credit assistance, those counties which have populations more than 50,000 but less than 100,000 and which do not include, and are not included by, any municipalities. At present, only those municipalities and other political subdivisions having populations less than 50,000 are eligible for credit assistance under this program.

Second. Qualify, for Federal urban renewal capital grants of up to three-fourths of the aggregate net project costs of eligible projects, those counties which have populations less than 100,000 and which do not include, and are not included by, any municipalities. At present, only municipalities having populations less than 50,000 are eligible for this favorable Federal-local ratio.

According to the 1960 census, the populations of Hawaii's counties and urban areas, outside the city and county of Honolulu, are as follows:

County of Hawaii	61,332
Hilo	25,966
County of Kalawao	279
County of Kauai	28,176
Kapaa	3,430
Lihue	3,908
County of Maui	42,576
Kahului	4,223
Lahaina	3,423
Puunene	3,054
Wailuku	6,969

Hawaii finds that its share in the Federal programs mentioned is circumscribed because it has organized its local government not according to the traditional mainland pattern, but into a unique system comprised of only five units. All five units are counties with jurisdiction over all of one or more islands—except the county of Kalawao, the famed Hansen Disease Settlement at Kalaupapa. As a result, the application of the term "municipality" is not always clear when Hawaii's urban areas are in question, as none of them is incorporated. We have not incorporated any of our urban areas because we have found our simple county system both efficient and effective.

I have attempted—see exhibits I–A and II—to obtain a Housing and Home Finance Administration ruling to include Hawaii's urban areas within the meaning of the term "municipality," but

without success. That agency strictly adheres to the following definition: "A public corporation created for political purposes and having subordinate and local powers of legislation."

The disqualification of Hawaii's urban areas resulting from the HHFA's strict interpretation of sections 301(a) and 501(e) of Public Law 87–70 is indeed unfortunate, especially for the city of Hilo.

Hilo is like most any other American city of 30,000 people and experiences the same sorts of urban problems. But Hilo was devastated by the tidal wave of May 1960, suffering the loss of 57 lives and $50 million in damages. The county of Hawaii, of which Hilo is the seat, has been declared a depressed area by the Department of Commerce. What more appropriate an urban area is there for Federal assistance? But because Hilo is not incorporated and although it has a population less than 50,000, it was not allowed a 3-to-1, Federal-local urban renewal capital grant for its $6.7 million project to restore an area damaged by the 1960 tidal wave. If my proposed bill is approved, all counties of the State of Hawaii, except the city and county of Honolulu, will be eligible for urban renewal capital grants for qualified projects at the 3-to-1 ratio. Also eligible for the first time would be 82 other counties in the following States: California, Florida, Georgia, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Nebraska, Nevada, New Hampshire, New Mexico, North Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, and Wisconsin—see exhibit II.

The county of Hawaii may also be ineligible for community facilities credit assistance for the sewer and water projects already planned for Hilo and Kailua-Kona. This is because the county has a population over 50,000, although the areas to benefit have populations of far less. The proposed bill would enable the hard-pressed county to apply for the necessary credit to undertake these projects satisfactorily. Other counties which would be similarly affected are: Massachusetts—Barnstable and Franklin Counties; Virginia—Chesterfield, Norfolk, and Princess Anne Counties.

I ask unanimous consent that exhibits I–A and II, to which I have referred, be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the exhibits will be printed in the RECORD.

The bill (S. 3191) to amend section 202 (b)(4) of the Housing Amendments of 1955 and section 103(a)(2) of the Housing Act of 1949, introduced by Mr. LONG of Hawaii, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The exhibits presented by Mr. LONG of Hawaii are as follows:

EXHIBIT I–A

SEPTEMBER 11, 1961.

Hon. ROBERT C. WEAVER,
Administrator, Housing and Home Finance Agency, Washington, D.C.

DEAR MR. WEAVER: Thank you for your letter of August 31 concerning the definition of municipalities under 50,000, with specific reference to the city of Hilo, Hawaii.

I cannot, of course, quarrel with the legalistic definition of a municipality, as I have been aware of the facts you cite for many years. The fact remains, however, that communities such as Hilo are clearly intended to be the beneficiaries of the special Federal assistance provisions of the Housing Act of 1961, and the fact further is that for some purposes Hilo is considered a municipality. Even without being a public corporation created for political purposes and having subordinate and local powers of legislation, Hilo is a municipality in the eyes of the Census Bureau.

Further, Hilo has defined and identifiable boundaries that exist in law, which distinguishes it from the unincorporated fringe areas that lie on the outskirts of many cities. Finally, Hilo is already served by a redevelopment agency that has, in the past, received assistance through your agency.

I therefore suggest that you inquire more fully into the conditions that prevail in Hilo, with a view to determining whether or not the accepted definition of "municipality" is indeed controlling in the exceptional circumstances that exist.

In addition, I would appreciate your comments as to whether Hawaii County, being a unit of local government with less than 150,000 population and having been designated as a depressed area by the Department of Commerce would or would not qualify for a 75-percent loan for urban renewal purposes. The county of Hawaii might meet your definition of a municipality, but it may not be urban enough to qualify.

As you can see from the above comments, and from our previous correspondence, it appears that an overly rigorous adherence to any of the terms in the statute may result in disqualification of the city of Hilo and the county of Hawaii. It is not for me to advise your legal staff in their interpretation of the act, but I feel strongly that if any community in the Nation meets the standards that the Congress had in mind when it enacted the Housing Act of 1961, Hilo is it. I repeat that I would consider it sheer discrimination if Hilo were barred from the benefits of the program solely because the people of Hawaii have not organized their local government according to the stereotype of the 48 mainland States.

I am fully aware of the arguments that have been put forth for creating metropolitan government where none exists today. I further am aware of the possibilities that a more general approach to local government provides. Finally, I am aware of, and am a cosponsor of the bill to create a Department of Urban Affairs and Housing which would have the salutary effect of permitting the Federal Government to take a more comprehensive and less parochial view of local problems. Yet your letter seems to indicate that in Hilo, where the people of Hawaii have avoided many of the problems with which we are wrestling elsewhere, the very fact that a rational local governmental organization exists bars its participation in one of your programs. I cannot agree with this concept and I earnestly request your review of the whole matter.

Sincerely yours,

OREN E. LONG.

EXHIBIT I–B

HOUSING AND HOME FINANCE AGENCY,
Washington, D.C., October 2, 1961.

Hon. OREN E. LONG,
U.S. Senate, Washington, D.C.

DEAR SENATOR LONG: This will acknowledge your letter of September 11, 1961, with further reference to the eligibility of the city of Hilo, Hawaii, for a three-fourths capital grant as a small municipality within the meaning of section 301(a)(2)(B) of the Housing Act of 1961.

You renew the contention that Hilo should be regarded as a municipality even though it is not a public corporation, has no governing body and no legislative authority, and is in fact governed by the county of Hawaii. As I pointed out in my letter of August 31, 1961, and as you apparently recognize, acceptance of that view would do violence to elementary definitions of municipal law. Although you state that it was congressional intent to make communities like Hilo eligible for a three-fourths grant, I find no language in the Housing Act of 1961 and no legislative history to warrant a departure from the customary definition of the term "municipality." Moreover, the fact that the Bureau of the Census compiles population statistics for Hilo does not establish its status as a municipality. The Bureau of the Census, under present operating procedures, furnishes population statistics for any area with definable boundaries, whether incorporated or unincorporated. It is true that, in furnishing figures for Hilo, the Bureau adds a note to the effect that Hilo has legally established limits and is treated as an incorporated place (U.S. Census of Population 1960, Number of Inhabitants, Hawaii, PC(1) 13A), but the explanatory note does not purport to affect or define the legal form of organization of the city of Hilo.

On the question of whether the county of Hawaii can qualify for a three-fourths capital grant under the provision relating to redevelopment areas, I am obliged to reply in the negative since the only designation that has been made for the county of Hawaii is under section 5(b) of the Area Redevelopment Act and our statute is explicit on the point that a three-fourths grant may be made to a municipality having a population of between 50,000 and 150,000 if it is in a redevelopment area so designated under section 5(a) of that act.

I fully appreciate your distress in learning that Hilo cannot qualify for assistance as a small municipality, but after reviewing the entire situation, I am fully persuaded that under the present statutory authorization, an unincorporated area such as Hilo does not qualify for the benefits conferred upon a small municipality by the Housing Act of 1961. Of course, we are prepared to provide continuing assistance to the Hawaii Redevelopment Agency under the customary two-thirds formula for the purpose of undertaking renewal projects in the city of Hilo.

Sincerely yours,

ROBERT C. WEAVER,
Administrator.

EXHIBIT II

Counties having a population of less than 100,000 (according to the 1960 census) where there does not exist any municipality which is included within, or inclusive of, such counties (according to the 1957 Census of Governments)

California:	
Alpine	397
Mariposa	5,064
Mono	2,213
Trinity	9,706
Florida:	
Liberty	3,138
Wakulla	5,257
Georgia: Echols	1,876
Hawaii:	
Hawaii [1]	61,332
Kalawao	279
Kauai	28,176
Maui	42,576
Kentucky:	
Elliott	6,330
Knott	17,362
Martin	10,201

See footnote at end of table.

Counties having a population, etc.—Con.

Kentucky—Continued	
McCreary	12,463
Menifee	4,276
Wolfe	6,534
Louisiana:	
Cameron	6,909
Plaquemines	22,545
St. Bernard	32,186
St. Charles	21,219
St. John the Baptist	18,439
Maine:	
Franklin	20,069
Piscataquis	17,379
Somerset	39,749
Maryland: Howard	36,152
Massachusetts:	
Barnstable [1]	70,286
Dukes	5,829
Franklin [1]	54,864
Michigan: Oscoda	3,447
Mississippi: Issaquena	3,576
Nebraska:	
Banner	1,269
McPherson	735
Nevada:	
Douglas	3,481
Esmeralda	619
Eureka	767
Lander	1,566
Mineral	6,329
Storey	568
New Hampshire:	
Carroll	15,829
Grafton	48,857
New Mexico:	
Catron	2,773
Los Alamos	13,037
North Carolina:	
Camden	5,598
Currituck	6,601
Hyde	5,765
South Dakota: Buffalo	1,547
Tennessee: Union	8,498
Texas:	
Bandera	3,892
Borden	1,076
Crockett	4,209
Glasscock	1,118
Hartley	2,171
Hudspeth	3,343
Jim Hogg	5,022
Kenedy	884
King	640
Loving	226
McMullen	1,116
San Jacinto	6,153
Terrell	2,600
Zapata	4,393
Utah: Daggett	1,164
Virginia:	
Amelia	7,815
Augusta	37,363
Bath	5,335
Bland	5,982
Charles City	4,492
Chesterfield [1]	71,197
Cumberland	6,360
Gloucester	11,919
Goochland	9,206
James City	11,539
King and Queen	5,889
King George	7,243
Mathews	7,121
Nelson	12,752
New Kent	4,504
Norfolk [1]	51,612
Northumberland	10,185
Powhatan	6,747
Prince George	20,270
Princess Anne [1]	76,124
Spotsylvania	13,819
Stafford	16,876
Wisconsin: Florence	3,437

[1] Designates those counties which will become eligible for community facilities loan assistance. All counties listed will become eligible for Federal urban renewal and planning grants of up to three-fourths the aggregate net project costs of qualified projects.

IMPROVEMENTS ALONG THE MISSISSIPPI RIVER BELOW NEW ORLEANS, LA., FOR PREVENTION OF HURRICANE TIDAL DAMAGES

Mr. LONG of Louisiana. Mr. President, I introduce a bill which has for its purpose the authorization of a project for improvements along the Mississippi River below New Orleans, La., for the prevention of hurricane tidal damages. This bill is being introduced after a study conducted by the Corps of Engineers and the receipt of reports which indicate that justification exists to accomplish this work. The study and reports in this instance were made pursuant to Public Law 71 of the 84th Congress, 1st session, which authorizes a study of the eastern and southern seaboards of the United States to secure data on the behavior and frequency of hurricanes, and to determine possible means of preventing loss of human life and damage to property, with due consideration of the economics of proposed protective structures or other measures which might be required. My colleague, the senior Senator from Louisiana [Mr. ELLENDER] joins me as a sponsor of this measure.

The bill I am introducing would provide for an increase in the height of the back levee protection on the Mississippi River below New Orleans, with modification of drainage facilities for four reaches of the river, at an estimated Federal cost of $7,502,000, subject of course to certain conditions of local cooperation.

In the past, hurricanes approaching the coastline of Louisiana from the southeast, south, and southwest, within the limits of the study area have caused widespread flooding of developed sections on both banks of the Mississippi River. The inundation creates hazards to life and health, damages public and private property, disrupts business and community life, and requires expenditure of public and private funds for evacuation and rehabilitation of local residents. Since 1893, the area has experienced 12 hurricanes in which major damage was inflicted, 9 which caused minor damage, and 17 others which were potentially dangerous for which actual damages were not assessed.

It is my belief that the project covered by this bill is urgently needed, and I recommend its adoption at the earliest possible time.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3192) authorizing improvements along the Mississippi River below New Orleans for prevention of hurricane tidal damages, introduced by Mr. LONG of Louisiana (for himself and Mr. ELLENDER), was received, read twice by its title, and referred to the Committee on Public Works.

DEEPENING AND WIDENING THE GULF INTRACOASTAL WATERWAY IN LOUISIANA AND TEXAS

Mr. LONG of Louisiana. Mr. President, for a number of years it has been apparent to anyone who had occasion to observe the movement of commerce in the waterways of this Nation that additional depth and width were required in the Intracoastal Canal that traverses the States of Louisiana and Texas if this artery of commerce was to be utilized to its fullest. The study in connection with deepening the authorized 12- by 125-foot channel has been under way since the adoption of a study resolution in 1952, but many problems were encountered along the way and only recently has this study been brought to a conclusion with a recommendation by the Chief of Engineers that this channel be increased to a depth of 16 feet and a general width of 150 feet.

At this time, I introduce a bill to provide for this channel deepening and widening and other appurtenant works substantially as recommended by the Chief of Engineers at an estimated Federal cost of $25,540,000, subject to the necessary conditions of local cooperation. My colleague, the senior Senator from Louisiana [Mr. ELLENDER] joins me in submitting this bill.

Since the early 1920's the Intracoastal Canal has done a big job for American industry. It has provided an urgently needed source of transportation of petroleum and many other products, and it gives every indication of furnishing just as valuable a contribution to our missile program. During World War II the service rendered by this channel was invaluable in supplying badly needed fuel to the eastern coast of the United States when normal shipping lanes in the Gulf of Mexico were obstructed by enemy forces.

The service rendered by the Gulf Intracoastal Waterway has been so outstanding that for many years it has enjoyed one of the highest benefit-cost ratios of any project in the Nation.

Progress in our inland shipping has been just as evident as progress in other fields of American industry and invention. Our barges are being built larger and wider, and they require greater depth and more width if they are to traverse without difficulty the protected waterway that the Gulf Intracoastal Canal affords. This bill proposes to furnish that needed width and depth, and I strongly recommend its adoption at the earliest possible time as a further adjunct to the progress of our economy and our defenses.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3193) authorizing modification of the Gulf Intracoastal Waterway, La. and Tex., in the interest of navigation, introduced by Mr. LONG of Louisiana (for himself and Mr. ELLENDER), was received, read twice by its title, and referred to the Committee on Public Works.

MODIFICATION OF THE EXISTING PROJECT OF THE INTRACOASTAL CANAL TO BAYOU DULAC, LA., AND TO AUTHORIZE THE UNITED STATES TO MAINTAIN THE HOUMA NAVIGATION CANAL

Mr. LONG of Louisiana. Mr. President, on behalf of myself and my col-

league, the senior Senator from Louisiana [Mr. ELLENDER], I introduce, for appropriate reference, a bill to provide for necessary navigation work in the waterways of the State of Louisiana. This bill would modify the existing project for the Intracoastal Waterway to Bayou Dulac, La., to provide for a 10-foot-deep by 45-foot-wide channel in Bayou Le Carpe, at an estimated Federal cost of $45,500. It would also provide for the maintenance of the new Houma Navigation Canal by the United States. Both of these measures have been recommended by the Chief of Engineers of the U.S. Army and by the Board of Engineers for Rivers and Harbors.

The portion of the intracoastal system that would be affected by this improvement is one of the channels that is part of an interconnected network of small waterways, which provide the principal means of transportation through a large area of marshland in Terrebonne Parish, La., lying between Houma, La., and the Gulf of Mexico. The area includes numerous active oil and gas fields, and sulfur is mined at two locations. The marshlands are among the best hunting and trapping sections of the State of Louisiana; and the lakes, streams, and adjoining section of the Gulf of Mexico produce large quantities of fish, oysters, crabs, and shrimp.

The existing Federal project provides for a 5-foot by 40-foot channel from Houma to Bayou Dulac via Bayous Le Carpe, Pelton and Grand Caillou. Portions of Bayous Le Carpe and Pelton are being improved to 15 feet by 150 feet as part of the Houma Navigation Canal, which is being constructed by local interests. The Corps of Engineers, as a result of its study, has come to the conclusion that it is practicable to enlarge the short section of Bayou Le Carpe between the Gulf Intracoastal Waterway and the Houma Navigation Canal to the dimensions proposed by this bill.

For many years the need for a navigation canal at Houma, La., has been evident. This canal is now being constructed by local interests to dimensions of 15 feet deep by 150 feet wide. It is considered to be in the best interests of navigation to have the United States take over maintenance of this canal when it has been completed, and this is a second purpose of the bill here introduced.

In the interest of the orderly development of our waterways, I recommend the earliest possible adoption of this measure.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3194) authorizing modification of the existing project from the Intracoastal Waterway to Bayou Dulac, La. (Bayous Grand Caillou and Le Carpe), and maintenance of the Houma Navigation Canal, introduced by Mr. LONG of Louisiana (for himself and Mr. ELLENDER), was received, read twice by its title, and referred to the Committee on Public Works.

INCREASE THE CHANNEL OF THE MISSISSIPPI RIVER BETWEEN BATON ROUGE, LA., AND NEW ORLEANS, LA.

Mr. LONG of Louisiana. Mr. President, on behalf of myself and my colleague, the senior Senator from Louisiana [Mr. ELLENDER], I introduce for appropriate reference, a bill to provide for the modification of the existing project for the Mississippi River, Baton Rouge, La., to the Gulf of Mexico, by providing for a channel 40 feet deep and 500 feet wide between the city of Baton Rouge, La., and the port of New Orleans.

For some time the Corps of Engineers has maintained a 36-foot channel on the Mississippi River between Baton Rouge, La., and the Gulf of Mexico. This channel proceeds down the Mississippi River to the southwest pass of that river and through the southwest pass to the Gulf of Mexico. Improvements in modern shipping have for some time required greater depth to avoid costly groundings and to permit fully laden ships of the world to enter the Mississippi River and proceed all of the way to the port of Baton Rouge.

During the past 25 years the progress that has been made by the city of Baton Rouge has been phenomenal. Many industries, particularly those of the petrochemical variety, have been attracted to the city of Baton Rouge and the intervening area between Baton Rouge and New Orleans, by the unlimited supply of fresh water that the Mississippi River affords and by the fact that the work of the Federal Government during the past 30 years has assured such industries that their plants and equipment will not be subject to recurring floods. This increase in industrial activity has increased the need for full 40-foot navigation on this stretch of the Mississippi River at all stages.

The Mississippi River carries such a tremendous quantity of water when it passes the cities of Baton Rouge and New Orleans that its channel nearly throughout this entire area is sufficiently deep and no work will be required to obtain the 40-foot depth. As a matter of fact, there are only three crossings in this reach of the river that will require work and the entire cost of this project will amount to only $357,000.

In view of the need that already exists, I recommend the adoption of this measure at the earliest possible time.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3195) authorizing modification of the existing project for the Mississippi River, Baton Rouge to the Gulf of Mexico, La., in the interest of navigation, introduced by Mr. LONG of Louisiana (for himself and Mr. ELLENDER), was received, read twice by its title, and referred to the Committee on Public Works.

DEFERRAL OF EXCISE TAX ON AUTOMOBILE REPLACEMENT GLASS

Mr. LONG of Louisiana. Mr. President, I introduce, for appropriate reference, a bill to amend the Internal Revenue Code of 1954 to treat wholesale distributors of automobile glass as manufacturers for purposes of the tax on automobile parts and accessories. This bill has been prepared and is being introduced to carry out the third of 10 recommendations contained in Senate Report No. 1015 of the 86th Congress, a report of the Senate Small Business Committee entitled "Studies of Dual Distribution: The Flat-Glass Industry."

During the last half of 1958 and throughout 1959, the Small Business Committee's Subcommittee on Monopoly, which it is my privilege to chair, conducted an intensive study of competitive problems of independent flat-glass dealers and distributors. We were especially—but not conclusively—concerned with dual distribution, that is, with competition by manufacturers, through their own stores, with independent customers in the distributive trades.

One of the several respects in which we concluded that the manufacturer-owned distribution outlet enjoys a competitive advantage over the independent distributor, often a customer of the same manufacturer, was in the area of taxation. The situation was briefly but clearly explained at page 86 of a staff report which was appended to the committee's report, as follows:

> The 8-percent Federal excise tax on automobile replacement parts, including auto-glass replacement parts, is payable at the time of the first sale by a manufacturer. The result, in dollars and cents, is that an independent distributor or dealer who buys from a glass factory and maintains a normal auto-glass inventory of $100,000 always has $8,000 of his working capital tied up in the Federal tax. (The tax is not reassessed in subsequent sales and is passed on to the second and subsequent buyers below the factory as a part of the first buyer's costs.) A PPG warehouse or service branch, on the other hand, competing with the independent distributor or dealer and maintaining the same $100,000 inventory, has no comparable tie-up of working capital, because the auto glass in that case is still in the ownership of the manufacturer and the tax is not payable until sold by the manufacturer. Independent distributors for Shatterproof, holding glass on consignment, have the same advantage. The independent distributor who pays for his inventory when it is stocked argues, very cogently, that his competitive position with relation to the PPG warehouse and the Shatterproof distributor could be equalized, as to this one point, by amending the law to change the time of payment of the tax from the time the glass is stocked and paid for to the time that it is sold. This would have no effect whatever on the second (dealer) purchaser, for the distributor would still pay the tax and pass it on as an unspecified cost; the principal effect would be upon the Federal revenue, which, in the case of some slow-moving glass parts, might wait a year or more for an item to move out of a distributor's inventory and the tax thereon to become payable.
>
> CONCLUSION
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> The only major public-policy question involved in this proposal is whether the distributor taxpayer or the Government should have the use of the tax money during the period (which is an average of about 4 months) that auto glass parts are in the distributor's inventory. The writer believes this question should be resolved in the distributor's favor and the law amended. In

1958 the Congress amended the Internal Revenue Code to give PPG (and other manufacturers engaged in dual distribution) greater equality of excise tax treatment with manufacturer competitors that sell only to factory buyers, by providing that the constructive price at which goods sold by a manufacturer at wholesale or retail shall be regarded, for excise tax purposes, as the factory price.[1] In 1959 the Congress moved to give gasoline wholesalers relief from a complaint almost on all fours with that of the glass distributors. By section 201(e) of Public Law 86-342, 86th Congress, enacted September 21, 1959, gasoline wholesale distributors who agree to bond their stocks are permitted to defer payment of the Federal special tax on gasoline from the time the gasoline is purchased until the time it is sold; further, losses in inventory due to evaporation and spillage are relieved from the tax.[2]

In 1960, it is strongly suggested, the tax-writing committees of the House and Senate should carefully consider the urgent request of independent auto parts distributors, particularly auto glass distributors, for similar treatment—that is, deferral of the time of payment of the 8-percent excise tax from the time the parts are purchased to the time they are resold, with an exemption for losses due to breakage. The latter, of course, is a considerable factor in the glass jobbing business.

The individual companies referred to in this quotation, Mr. President, are the Pittsburgh Plate Glass Co. and Shatterproof Glass Corp. Pittsburgh Plate Glass is, of course, the largest flat glass manufacturer in the country and a prime example of dual distribution. Shatterproof Glass Corp., a relatively small manufacturer of automobile glass, was mentioned only because of its practice of placing consigned stocks with distributors, a practice which has also been adopted by the Libbey-Owens-Ford Glass Co.

For the reasons set forth in the foregoing excerpt from the staff report, the Senate Small Business Committee, at page 9 of Senate Report No. 1015, made the following recommendation:

3. The tax-writing committees of the House and Senate should give early and sympathetic consideration to the request of independent flat glass distributors for an amendment of the 8-percent manufacturers' excise tax on replacement auto glass, to change the time of payment of the tax from the time the glass is stocked to the time it is sold by the first purchaser from the manufacturer. Such an amendment would not reduce the revenues nor shift the tax burden from one level of distribution to another. It would simply equalize the tax treatment of Pittsburgh Plate Glass warehouses and of independent distributors who receive glass on consignment, on the one hand, with the treatment of independent distributors who pay for their glass when it is stocked, on the other.

The bill I am introducing today, if favorably considered by the appropriate committees of the House and Senate, would, I believe, carry out this recommendation of the Senate Small Business Committee in full. I do not believe that anyone can or will be hurt by this proposed legislation and I anticipate no serious or concerted objection to it. It is a matter of simple justice and equity and I hope that it will be favorably reported and enacted during this session.

Incidentally, Mr. President, I might add that I am familiar with the somewhat different approach to the same sort of problem that is represented by H.R. 221, a bill that passed the House last September and is now pending in the Senate Finance Committee. That bill deals with the manufacturer's excise tax on tires and inner tubes. The problem is the same in that industry; the inequity is the same. The integrated manufacturer does not pay the excise tax on the tires and tubes it transfers to its own stores until the store sells them. The independent, on the other hand, must pay the tax when he takes the tires into his inventory. H.R. 221 would remedy the situation, bring parity of treatment, by requiring the integrated manufacturer to pay the tax when he transfers the tires from factory to store.

I acknowledge that this equalizes the tax treatment of integrated and non-integrated distribution as effectively as deferring the time of payment of the independents' taxes. However, the chief benefit desired by the independent is to avoid having his own working capital tied up in onerous taxes on inventory, not just to achieve some sort of hypothetical parity with his integrated competitor. For that reason, I believe the approach taken by the 1958 gasoline legislation, and by my bill, is to be preferred, even though it admittedly represents collection costs and proolems that are avoided by the approach of H.R. 221.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3196) to amend the Internal Revenue Code of 1954 to treat wholesale distributors of automobile glass as manufacturers for purposes of the tax on automobile parts and accessories, introduced by Mr. LONG of Louisiana, was received, read twice by its title, and referred to the Committee on Finance.

AUTHORIZATION OF STUDY AND INVESTIGATION OF DEPARTMENT OF AGRICULTURE AND ITS AGENCIES

Mr. WILLIAMS of Delaware. Mr. President, today I am submitting a resolution the purpose of which is to authorize a full and complete study and investigation of any and all matters relating to the administration by the Department of Agriculture and any of its agencies of, first, acreage allotment programs for cotton and other agricultural commodities, and, second, storage programs for grain and other agricultural commodities, with a view to determining, in the case of each such program, the manner in which officers and employees of the Department of Agriculture have discharged their duties and obligations in dealing with persons affected by or receiving benefits under such programs.

This investigation is particularly pointed at the financial transactions which have taken place between the Department of Agriculture and Mr. Billie Sol Estes, of Texas. Since a preliminary inquiry was started into the amazing financial arrangements of Mr. Estes it is significant that certain high officials of the Department of Agriculture have been either fired or suspended by the Department under charges that there is strong evidence of a conflict of interest.

In view of the tremendous investment which the U.S. Government has in its grain storage operations and in view of the importance of acreage allotments always being administered in the best interests of the farmer, the Congress cannot overlook its responsibility to investigate thoroughly any suggestion that there may have been unnecessary expenditures, improper allotments, or possible conflicts of interest.

Although the activities of Mr. Billie Sol Estes might well be the focal point for an initial investigation the problem is undoubtedly much broader, and therefore the resolution has been drawn in a manner to provide the committee adequate authority to explore any weaknesses in the system.

Proper administration of these multi-billion-dollar programs goes to the heart of the integrity of our whole agriculture system.

Unquestionably a thorough investigation is in order.

Mr. President, I ask unanimous consent that the resolution may be printed in the RECORD.

The PRESIDING OFFICER. The resolution will be received and appropriately referred; and, without objection, the resolution will be printed in the RECORD.

The resolution (S. Res. 331) was referred to the Committee on Agriculture and Forestry, as follows:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate, to make a full and complete study and investigation of any and all matters relating to the administration, by the Department of Agriculture and any of its agencies, of (1) acreage allotment programs for cotton and other agricultural commodities, and (2) storage programs for grains and other agricultural commodities, with a view to determining, in the case of each such program, the manner in which officers and employees of the Department of Agriculture have discharged their duties and obligations in dealing with persons affected by or receiving benefits under such programs.

SEC. 2. The committee shall report the results of its study and investigation, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1963.

SEC. 3. For the purposes of this resolution, the committee, through January 31, 1963, is authorized to (1) make such expenditures as it deems advisable; (2) employ upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized at its discretion to select one person for appointment, and the person so selected shall be appointed

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[1] Public Law 85-859, title I, sec. 115, Sept. 2, 1958, 72 Stat. 1279 (26 U.S.C., sec. 4216(b) [1952]).

[2] In addition to the cited public law, see the House and Senate committee reports covering the cited section: Senate Finance Committee, S. Rept. 903, 86th Cong., 1st Sess., p. 10; and House Public Works Committee, H. Rept. 1120, 86th Cong., 1st Sess., p. 23.

and his compensation shall be so fixed that his gross rate shall not be less by more than $1,200 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $———, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. WILLIAMS of Delaware. Mr. President, I also ask unanimous consent to have included in the RECORD two articles from today's Washington Post and Times Herald; one entitled "Cotton Controls Under Scrutiny" and the other entitled "Agriculture Official Fired in Estes Case Inquiry."

From these articles it can be seen that grave questions have been raised concerning the operations of some of these programs.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

COTTON CONTROLS UNDER SCRUTINY

(By Julius Duscha)

The Government's cotton allotment program is being called into question in the investigation of west Texas land dealings by financier Billie Sol Estes.

A basic element underlying this issue is the fact that the right to grow cotton is more valuable than cotton land.

The Agriculture Department establishes cotton quotas based on legislation approved by Congress. A cotton farmer without an allotment cannot market his crop unless he pays a severe cash penalty.

With an allotment a farmer is guaranteed a minimum price by the Government for his cotton.

AS IMPORTANT AS LAND

Throughout the South and Southwest cotton allotments are as great a prize as good homesteading land was a century ago in the Midwest and West.

When a farm is sold, the cotton allotment goes with it. Farmers can also transfer allotments from one piece of land they own to another tract of their land.

An allotment cannot be sold by itself, however, or transferred to land not owned by the farmer who was given the original allotment.

Many allotments become available when land is taken by eminent domain for highways, dams or other projects. These allotments are then placed in a pool from which they can be taken by their original owners and transferred to other lands owned or purchased by them.

AGENTS FROM TEXAS

Agents for Estes and other west Texas landowners have traveled throughout the South and Southwest seeking out cotton farmers who have allotments that they are not using.

The agents offer to sell to the farmers irrigated land in west Texas where cotton can be grown profitably. Under these arrangements the holders of the allotments generally must agree to lease back the land for cotton production to the sellers of the land.

Such lease-back arrangements are legal as long as the land sales are genuine.

In the case of Estes' dealings the Agriculture Department held that the arrangements were not legal because no downpayments were required and because, in the words of a Department statement issued yesterday, the first payment "was so large that it appeared unlikely that any of the displaced owners would be in a position to make the payment."

"The contract provided an escape clause whereby the displaced owner could reconvey title to the land if he failed to make the first payment," the statement added, "and he could thereby escape all personal liability under the contract.

"He would, however, be entitled to keep the first year's rental payment which in effect amounted to the purchase price for the cotton allotment."

ALLOTMENTS TRANSFERED

John C. Bagwell, Agriculture Department General Counsel, held last December that cotton allotments were transferred to land owned by Estes under arrangements that did not constitute bona fide sales of the land.

Estes and his lawyers have argued that the land deals constituted genuine transfers of ownership. They can appeal Bagwell's findings, and Bagwell said yesterday that he expects the question to be decided eventually by the courts.

West Texas land became valuable for cotton acreage after the Pecos River was dammed and water was provided for irrigating previously arid tracts.

The land is sold for from $150 to $200 an acre. Individual cotton allotments obtained from other States range from 10 to 200 acres.

The first-year payments demanded by Estes of the purchasers of the land generally amounted to several thousand dollars. The land was supposed to be paid for within 4 years.

The owners of the cotton allotments were usually guaranteed about $50 an acre as their share of the cotton grown on the irrigated land.

AGRICULTURE OFFICIAL FIRED IN ESTES CASE INQUIRY

(By Julius Duscha)

An Agriculture Department official was fired yesterday for failing to make himself available for questioning about his relationship with Texas financier Billie Sol Estes.

The man, William E. Morris, is the second official who has been linked with Estes to leave the Department in 4 days.

A third official, James T. Ralph, is scheduled to testify on Friday before a Texas court of inquiry in Dallas on his relations with Estes.

TWO UNDER INVESTIGATION

Two other Department employees who received commissions from associates of Estes are under investigation by the Department. They are Russell E. Dill and Harvey E. White of Clinton, Okla.

Morris was an assistant to Ralph, who was fired as an Assistant Secretary of Agriculture 2 months ago and was slated to become an agricultural attaché in Manila. Morris was brought into the Department a year ago by Emery E. "Red" Jacobs, who resigned on Friday as a Deputy Administrator of the Department's Stabilization and Conservation Service.

The Texas court of inquiry into Estes' activities heard testimony that Estes took Jacobs shopping for $245 suits and other expensive clothing in the fashionable Nieman-Marcus store in Dallas.

Ralph's name has also figured in the court of inquiry's testimony. Estes, once named as a young man of the year by the junior chamber of commerce, has been indicted for fraud in connection with the sale of fertilizer tanks.

ANNOUNCED AT CONFERENCE

The dismissal of Morris was announced at a stormy press conference by Thomas R. Hughes, Executive Assistant to Secretary of Agriculture Orville L. Freeman.

Hughes said that "Mr. Morris has been dismissed * * * principally because he has not made himself available" for questioning.

Morris was questioned last Thursday afternoon, Hughes said, and on Friday, "took a day of annual leave." Friday night Morris was sent a registered letter, Hughes added, "asking that he keep himself available for possible questioning Saturday and Sunday" and report to the Department at 9 a.m. yesterday.

When a Department investigator went to Morris' home at 3806 Basil Road, McLean, Saturday night Morris' wife told the investigator that Morris was not at home and that she did not know where he was.

The investigator, Hughes continued, stayed "in the vicinity of his home" (Morris') until about midnight Saturday and returned Sunday morning, remaining until 7 p.m. Morris did not show up at the Department yesterday, Hughes added.

ALLOTMENT CONTROVERSY

Estes was a member of the Department's cotton advisory committee. He has been engaged in a controversy with the Department over cotton allotments and has 45,843,000 bushels of Government wheat, milo, barley, and soybeans in Texas warehouses that he owns.

The Justice Department is also looking into the relationships between Estes and Morris and Jacobs.

On Capitol Hill, Representative BOB DOLE, Republican, of Kansas, demanded that the House Agriculture Committee investigate Estes' relationships with the Department.

But Representative HAROLD D. COOLEY, committee chairman, said that a House inquiry was not needed at this time because it would "tend to confuse and frustrate the efforts of those conducting investigations."

Mr. CURTIS. Mr. President, I commend the distinguished Senator from Delaware for suggesting an investigation in reference to the operations of the Department of Agriculture. I hope that investigation not only will go into the question of whether or not there has been wrongdoing but also whether or not the Department of Agriculture is attempting to change the economic pattern of the country by transferring activities from one section of the country to other sections.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE APPROPRIATION BILL, 1963—AMENDMENTS

Mr. BUSH. Mr. President, I submit amendments intended to be proposed to H.R. 10904, the appropriations bill for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the coming fiscal year. I am privileged to have as cosponsors of the amendments the distinguished Senators from New York [Messrs. JAVITS and KEATING], the distinguished senior Senator from Illinois [Mr. DOUGLAS], and the distinguished junior Senator from Pennsylvania [Mr. SCOTT].

Mr. President, I ask unanimous consent that the amendments may lie at the desk until the close of business today in order that other Senators may joint as cosponsors if they so desire; and that the amendments then be referred to the Committee on Appropriations.

Mr. President, I also ask unanimous consent that a statement I have prepared in explanation of the amendments

may be printed at this point in the RECORD together with the text of S. 2980.

The PRESIDING OFFICER. The amendments will be received, printed, and appropriately referred; and, without objection, the statement and bill will be printed in the RECORD, and the amendments will lie on the desk, as requested by the Senator from Connecticut.

The amendments were referred to the Committee on Appropriations.

The statement and bill presented by Mr. BUSH are as follows:

STATEMENT OF U.S. SENATOR PRESCOTT BUSH

I have introduced today amendments to H.R. 10904, the Labor-HEW appropriations bill, which are intended to prohibit Federal payments to school districts unless they are proceeding in good faith toward full compliance with the constitutional requirement that racial discrimination be ended in public schools.

The appropriations bill would provide approximately $346 million in Federal funds for payments to school districts under the provisions of Public Laws 815 and 874, the so-called impacted areas legislation.

All citizens, regardless of race, creed or color, are taxed to provide these funds. Yet a substantial amount of these funds will be distributed to segregated public schools unless Congress acts to prevent it.

I regard it as immoral to tax millions of our fellow citizens for the support of schools from which their children are barred solely by reason of their race. I regard it as contrary to the principles of good government to encourage by Federal grants continued defiance of the Supreme Court's decree that segregation must be ended with all deliberate speed.

One set of my amendments would withhold funds from a local educational agency "unless the Secretary of Health, Education, and Welfare shall have determined that such agency is proceeding in good faith toward full compliance with the constitutional requirement that racial discrimination be ended in public schools."

It is difficult to understand the attitude of the administration on this problem, particularly in view of the President's repeated statements during the 1960 campaign that discrimination could be ended "by a stroke of the Presidential pen" on an Executive order.

Mr. Kennedy's specific reference was to discrimination in housing, but his authority to take executive action against discrimination in the public schools is even more firmly established in view of the Supreme Court's decision that segregated schools are unconstitutional.

Yet the administration has not acted in either field. There has been lipservice to the constitutional doctrine. The Secretary of Health, Education, and Welfare recently made this statement before a House subcommittee:

"The Constitution of the United States forbids governmental action that discriminates against any person by reason of his race, creed, or color. This is a rule of law. More than that, it is a principle of morality."

Those are noble words, and I agree heartily with them. But the Secretary has, in effect, nullified them by contending he is bound by statutory law rather than by the Constitution. He has testified that executive authority will be exhausted by his proposal to withhold Public Laws 815 and 874 funds from segregated schools only in those limited cases where such schools serve children living on Federal bases. He intends to postpone such action until 1963.

The Secretary has challenged Congress to act.

"Within the limited authority we have," he said, "I believe we are discharging our responsibilities. I hope the Members of the Congress will face up to the responsibility which is theirs."

Despite his call upon Congress to act, the Secretary has opposed antidiscrimination riders to new Federal programs and has labeled as negative, efforts to amend existing programs to bar all forms of discrimination on penalty of losing Federal financial support.

I cannot accept the Secretary's argument that the executive branch cannot do more and that Congress should not act in any way open to it to prevent the use of Federal funds to promote segregation. And I find his recommendations glaringly inconsistent with his declaration on legal and moral grounds that the Constitution forbids governmental action that discriminates against any person by reason of his race, creed, or color.

As the supreme law of the land, the Constitution is part of every one of our statutes. For a Government official to say that he must obey a statute which is inconsistent with the Constitution is to ignore the law, not enforce it.

So, my first set of amendments is intended to require a determination by the executive branch that a school district is proceeding in good faith toward desegregation before it becomes eligible to receive Federal funds. Such amendments are essential, in my view, because of the Secretary's statements that he lacks discretion under existing law.

I am advised by the Senate Parliamentarian that amendments in this form are subject to a point of order, as being legislation on an appropriation bill. In the Parliamentarian's view, they impose an additional duty upon the Secretary.

With that, I disagree. As I have previously stated, it is my firm belief that the Constitution of the United States already imposes that duty.

The second set of amendments I have introduced would impose a flat prohibition against the disbursement of Federal funds to any local educational agency "which operates and maintains segregated public schools." Under the Senate rules, I am advised by the Parliamentarian, this may well be construed as a limitation, rather than legislation, and thus not subject to a point of order. It is my intention to call up these amendments only if the first set of amendments is held subject to a point of order.

I would prefer to proceed by affirmative legislation. I am privileged to be a cosponsor with the distinguished Senators from New York [Messrs. JAVITS and KEATING] and other Senators of S. 2980, which is intended to implement recommendations of the U.S. Commission on Civil Rights for progress in the desegregation of public schools. This bill, introduced with bipartisan support, would provide financial and technical assistance to facilitate desegregation of public schools and would restrict Federal financial aid for segregated public schools and institutions of higher learning.

However, because I am highly doubtful that this bill will be reported to the Senate floor in the present session, the proposed amendments to H.R. 10904 appear to be the only practical way in which to bring this issue to a decision.

S. 2980

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Equality of Education Act of 1962".

TITLE I—DESEGREGATION PLANS

SEC. 101. For purposes of this title and titles II, III, and IV of this Act—

(a) The term "desegregation" means the assignment of all students to public schools irrespective of their race or color. No assignment system in which race or color is a factor in the initial assignment of students to particular public schools shall be deemed to have achieved desegregation even though placement or other tests or transfers or other options may be available to change such assignment.

(b) The term "public school" means any elementary or secondary educational institution operated by a State, subdivision of a State, or governmental agency within a State, or operated principally or substantially from or through the use of governmental funds, or funds derived from a governmental source.

(c) The term "school board" means any agency or agencies, the members, agents, and employees thereof, and any other person or persons, authorized to determine, control, or direct the institutions, structures, or places at which particular students are assigned to or attend public school.

(d) The term "first-step compliance" means the affording of desegregated education to a substantial number of students at each public school within the jurisdiction of a school board.

(e) The term "Secretary" means the Secretary of Health, Education, and Welfare.

SEC. 102. Every school board which, on the date of the enactment of this Act, has failed to achieve desegregation of all public schools within its jurisdiction, shall adopt a desegregation plan as provided in section 103 and shall file such plan, within one hundred and eighty days after the date of enactment of this Act, with the Secretary.

SEC. 103. Every desegregation plan required under section 102 shall—

(1) provide for achieving desegregation of all public schools within the jurisdiction of the school board with all deliberate speed, pursuant to a schedule setting forth the time when and the manner in which desegregation is to be achieved for each class, grade, school, and district within the jurisdiction of the school board involved; and

(2) provide for at least first-step compliance not later than the commencement of the first school year which begins after the submission of such plan.

SEC. 104. Every school board required to adopt a desegregation plan pursuant to section 102 shall forthwith implement the same in accordance with its terms immediately upon its adoption and thereafter continue its implementation in good faith and with all deliberate speed until desegregation is fully achieved in all pubic schools within its jurisdiction.

SEC. 105. Whenever any school board subject to the requirements of this title loses or relinquishes any of its authority over public schools formerly within its jurisdiction or its authority to assign students to schools within its jurisdiction, the duties prescribed in this title shall immediately devolve upon the person or persons to whom such authority has been transferred or relinquished.

SEC. 106. Wherever, because of overlapping or complementary jurisdiction, more than one school board is subject to the requirements of this title with respect to the same schools or students, the boards concerned shall exercise their obligations hereunder jointly.

SEC. 107. The requirements of this title shall not apply with respect to any public school which, on the date of enactment of this Act, is subject to a court order providing for or approving a desegregation plan for such public school.

SEC. 108. (a) In the event that a school board, or its successor as provided in section 105, subject to the requirements of this title has violated any of the obligations prescribed herein, the Attorney General is authorized to institute for or in the name of the United States in the U.S. district court for the dis-

trict wherein such school board or its successor is located or meets, a civil action or other proceeding for preventive relief including an application for an injunction or other order, against such school board or its successor. The court in which such action is instituted is authorized, upon finding that there has been a violation of this title, without limitation upon the grant of such other relief as may be appropriate under the circumstances, to require the school board or its successor, (1) to adopt and implement a plan of school desegregation pursuant to the requirements of this title, (2) to implement any other school desegregation plan which the court may find appropriate and consistent with the requirements of this title, or (3) to issue such other orders and grant such other relief as will most expeditiously achieve first-step compliance and desegregation with all deliberate speed in the public schools under the jurisdiction of the school board or its successor.

(b) The district courts of the United States shall have jurisdiction over proceedings instituted under subsection (a), and shall exercise the same without regard to whether any administrative or other remedies that may be provided by law shall have been exhausted, and in a manner calculated to achieve desegregation in accordance with the requirements of this title.

TITLE II—GRANTS TO SCHOOL BOARDS AND LOCAL GOVERNMENTS TO FACILITATE DESEGREGATION

SEC. 201. Whenever the Secretary determines that a desegregation plan submitted to him by a school board pursuant to section 102 meets the requirements of title I he is authorized, for the purpose of facilitating the carrying out of any such desegregation plan and upon receipt of application therefor, to make grants to such school board, or to the local government having authority to provide funds for such school board, to assist in meeting the costs he determines to be reasonably necessary for—

(1) employing specialists in problems incident to desegregation, and providing other assistance to develop understanding by parents, schoolchildren, and the general public of desegregation in order to reduce the possibility of community hostility or resistance to desegregation;

(2) providing in-service training [illegible] teachers, guidance counselors, and other school personnel for dealing with problems incident to desegregation; and

(3) establishing programs designed to identify and assist teachers who are handicapped in their professional endeavors as a result of inferior training or educational opportunity, and to identify and assist talented and able students who are handicapped in their scholastic efforts as a result of inferior educational opportunity.

SEC. 202. The Secretary is further authorized, for the purpose of facilitating the carrying out of desegregation in accordance with any desegregation plan provided or approved by a court, or of carrying out desegregation by any other school board not subject to the requirements of title I, to make grants to school boards, and local governments, to assist in meeting costs he determines to be reasonably necessary for the purposes enumerated in section 201.

SEC. 203. Each application made for a grant under this title shall provide such detailed breakdown of the measures for which financial assistance is sought as the Secretary may by regulations prescribe. Each grant under this title shall be made in such amounts and on such terms and conditions as the Secretary shall prescribe, except that a grant may be made only on condition that the applicant will, during the period for which the grant is made, expend for the same purpose or purposes for which the grant is made an amount of its own funds equal to the amount of the grant. In determining whether to make a grant, and in fixing the amount thereof and the terms and conditions on which it will be made, the Secretary shall take into consideration the amount available for grants under this title and the other applications which are pending before him; the financial condition of the applicant and the other resources available to it; the nature, extent, and gravity of its problems incident to desegregation; and such other factors as he finds relevant.

SEC. 204. Payments of grants under this title may be made in advance or by way of reimbursement, and at such intervals as the Secretary may determine. No payment of a grant shall be made to any school board, or to the local government having authority to provide funds for such school board, after the expiration of five years from the date on which a desegregation plan was submitted by such school board under section 102, or, in the case of a school board subject to a desegregation plan provided or approved by a court, after the expiration of five years from the date on which the court provided or approved such desegregation plan, or, in the case of any other school board not subject to the requirements of title I, after the expiration of five years from the date on which a program of desegregation was begun by such school board.

SEC. 205. There are authorized to be appropriated for the fiscal year in process on the date of the enactment of this Act and for each succeeding fiscal year, such sums, not exceeding $40,000,000 for any fiscal year, as may be necessary for making grants under the provisions of this title.

TITLE III—TECHNICAL ASSISTANCE BY SECRETARY OF HEALTH, EDUCATION, AND WELFARE WITH RESPECT TO DESEGREGATION PROBLEMS

SEC. 301. The Secretary is authorized, upon receipt of application therefor, to give technical assistance to school board eligible for assistance under title II, and to local nonprofit organizations in the communities served by such school boards, in training school personnel and community leaders in techniques useful in solving desegregation problems, including training and other assistance in establishing home study programs for academically and culturally handicapped students. Such technical assistance may be given to any such school board, or local nonprofit organization, whether or not such [illegible] government having school board or the local [illegible] authority to provide funds for such school board has applied for or received a grant under title II.

SEC. 302. Technical assistance authorized by section 301 may be given by the Secretary by such means as he deems appropriate to carry out the purposes of such section. No technical assistance shall be given to any school board, or to any local nonprofit organization in the community served by such school board, after the expiration of five years from the date on which a desegregation plan was submitted by such school board under section 102, or, in the case of a school board subject to a desegregation plan provided or approved by a court, after the expiration of five years from the date on which the court provided or approved such desegregation plan, or, in the case of any other school board not subject to the requirements of title I, after the expiration of five years from the date on which a program of desegregation was begun by such school board.

TITLE IV—LOANS TO SCHOOL BOARDS AND LOCAL GOVERNMENTS

SEC. 401. The Secretary is authorized, upon receipt of application therefor, to make loans—

(1) to any school board, if he finds that—

(A) part or all of the funds which would otherwise be available to such school board have been withheld or withdrawn by action of the State or local government because of the desegregation, in whole or in part, of one or more schools under the jurisdiction of such school board; and

(B) such school board has authority to receive and expend the proceeds of such loan; or

(2) to any local government within the jurisdiction of which any school board operates, if he finds that—

(A) part or all of the funds of such local government which would otherwise be available to such school board have been withheld or withdrawn by action of the State because of the desegregation, in whole or in part, of one or more schools under the jurisdiction of such school board; and

(B) such local government has authority to receive such loan and to make the proceeds thereof available for the use of such school board.

SEC. 402. (a) Loans may be made by the Secretary under section 401 to any school board or local government only if he is satisfied that the proceeds of such loans will be used for the same purposes for which the funds withheld or withdrawn would otherwise be used, and that such purposes are necessary for the operation and maintenance of the school system under the jurisdiction of such school board.

(b) Loans may be made by the Secretary under section 401 to any school board or local government only if he is satisfied that funds cannot be borrowed by such school board or local government, as the case may be, from private financial institutions.

SEC. 403. Any loan under section 401 shall be made upon such terms and conditions, not inconsistent with the provisions of this title, as the Secretary deems appropriate. Any such loan shall be repaid within such time as the Secretary prescribes after the funds withheld or withdrawn are restored to the school board or local government concerned, or after funds are available to such school board or local government by borrowing from private financial institutions.

SEC. 404. There are authorized to be appropriated for each fiscal year such sums as may be necessary for making loans under the provisions of this title.

TITLE V—ASSISTANCE BY COMMISSION ON CIVIL RIGHTS TO FACILITATE DESEGREGATION

SEC. 501. Part I of the Civil Rights Act of 1957 is amended by inserting after section 104 the following new section:

"Additional duties of the Commission

"SEC. 104A. In addition to the duties imposed by section 104(a), the Commission is authorized—

"(1) to collect and disseminate information concerning programs and procedures used by school districts in the various States to achieve an organization and operation of their schools in accordance with constitutional requirements, including data as to the known effects of such programs and procedures on the quality of education and to the costs of such programs and procedures; and

"(2) to establish an advisory and conciliation service to assist local school officials in developing desegregation plans designed to meet constitutional requirements and local conditions, and to attempt to mediate and conciliate disputes between school officials and school patrons, upon the request of either, relating to desegregation of schools, including proposed plans for desegregation and the implementation of desegregation plans already in operation."

TITLE VI—RESTRICTIONS ON FEDERAL FINANCIAL AID FOR SEGREGATED PUBLIC SCHOOLS, COLLEGES, AND UNIVERSITIES

SEC. 601. (a) In the case of any program providing Federal grants-in-aid to the States for elementary or secondary education in public schools, the amount of such grant-in-aid for any fiscal year to any State shall

be reduced in accordance with the provisions of this section if the head of the Federal department or agency administering such program determines, at the time of determining the amount of such grant-in-aid for such year, that the public elementary or secondary schools of any local educational agency in such State are operated in such a manner as to segregate pupils of any race or color. If the head of such department or agency determines at such time that all local educational agencies in such State practice such segregation in the operation of such schools, then such grant-in-aid shall only be 50 per centum of the amount it would have been but for the provisions of this section. If the head of such department or agency determines at such time that one or more local educational agencies in such State have initiated a program of desegregation, or do not practice segregation, in the operation of such schools, then such grant-in-aid shall be 50 per centum of the amount it would have been but for the provisions of this section, plus such proportion of the remaining 50 per centum as the number of pupils enrolled in the public elementary and secondary schools of all the local educational agencies which have initiated a program of desegregation, or do not practice segregation, bears to the number of pupils enrolled in all the public elementary and secondary schools in such State.

(b) For the purposes of this section—

(1) the term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision in a State; and

(2) enrollments shall be determined on the basis of the latest reliable figures available to the department or agency head concerned.

(c) Nothing in this section shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.

SEC. 602. (a) No Federal department or agency shall make any grant or loan to any publicly controlled college or university unless satisfactory proof is submitted to the head of such department or agency that such college or university does not discriminate on the basis of race, color, religion, or national origin in accepting students for enrollment.

(b) Nothing in this section shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.

TITLE VII—PROTECTION OF INDIVIDUALS FROM BODILY HARM

SEC. 701. The Attorney General is authorized to take such action as may be necessary to protect—

(1) the members of any school board having under its jurisdiction one or more public schools which are desegregated or in which desegregation has been commenced;

(2) the officials, teachers, and other employees of any public school which is desegregated or in which desegregation has been commenced, or of any public school system of which any such public school is a part;

(3) children attending any such public school and the parents of such children; and

(4) any other individual assisting any such member, any such official, teacher, or other employee, or any such child or parent, from physical injury and from harassment, intimidation, or reprisal by any person or group of persons.

TITLE VIII—ANNUAL SCHOOL SURVEYS

SEC. 801. The Secretary of Health, Education, and Welfare shall conduct an annual survey to determine the number and ethnic classification of students enrolled in all public educational institutions in the United States. The Secretary shall prepare and publish each year data obtained from each annual survey setting forth the number and ethnic classification of students enrolled—

(1) in all public educational institutions in each State,

(2) in each elementary and secondary public educational institution in each school district, and the totals for each school district, and

(3) in each public institution of higher education in each State.

TITLE IX—MISCELLANEOUS PROVISIONS

SEC. 901. Nothing in this Act shall be construed to impair any remedies already existing for the protection or enforcement of rights guaranteed by the Constitution or laws of the United States, nor to prevent any individual or private organization from acting to enforce or safeguard any constitutional right in any manner now or hereafter permitted by law.

SEC. 902. If any provision of this Act or the application of such provision to any person or circumstance is held invalid, the remainder of this Act or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

SEC. 903. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Mr. JAVITS. Mr. President, I send to the desk an amendment, for printing under the rules, to H.R. 10904, the appropriation bill for the Department of Health, Education, and Welfare, the result of which will be to bar the use of Federal funds to hospitals which maintain segregated facilities or discrimination on the ground of race, creed, or color.

The cosponsors of the amendment are my colleague from New York [Mr. KEATING], the Senator from Illinois [Mr. DOUGLAS], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Connecticut [Mr. BUSH], who this morning is submitting another amendment of the same kind to the same bill, relating to impacted school areas.

Mr. President, this is a rather unique situation. The Hill-Burton Act, which this proposal is intended to aid, and which deals with construction of hospitals, still has within it the old separate-but-equal-facilities formula, which was ruled out by the Supreme Court in the Brown case in 1954 with respect to school desegregation.

Here we must have an affirmative act by Congress in order to cancel out a situation where segregation is permitted by our law. It is an anomaly, and therefore unthinkable. Although normally I am not favorable to having riders on appropriation bills, I feel justified in acting in this way, because it is the best and most direct way to deal with this anachronism.

There is no question about the fact that this type of segregation and discrimination exists and is vicious, because my own office made a survey which indicates it is widespread in many areas of the South. There is litigation pending in Orangeburg, S.C., in which allegations are made of segregation of Negro patients and discrimination against them. The suit relates to doctors as well as patients.

I very much hope, therefore, Congress will take the earliest opportunity to correct the anomaly in the Hill-Burton Act by barring use of funds for segregated hospital facilities. The Supreme Court has certainly given us the law very clearly on that point.

The PRESIDING OFFICER. The amendment will be received, printed, and referred to the Committee on Appropriations.

Mr. KEATING. Mr. President, I am glad to join as a cosponsor of the amendments offered earlier today by my colleagues, the Senator from Connecticut [Mr. BUSH] and the Senator from New York [Mr. JAVITS] to prohibit the use of Federal funds for racially segregated school and hospital facilities.

Such amendments should not be necessary to put an end to vast outlays of public revenues to promote or maintain unconstitutional practices. Federal grants for segregated facilities are no more lawful than State grants for such facilities. In my opinion, it is untenable to suggest that the President is powerless to order a termination of such grants.

The President has expressed in many ways his deep personal interest in securing equal justice for all Americans. He has failed, however, to use his broad executive powers to halt Federal investments of billions of tax dollars in segregated schools, hospitals, and other programs.

There are many precedents for executive action. The Department of Interior requires nondiscrimination agreements in sales of Federal lands for recreational purposes. The Federal Home Loan Bank Board prohibits member banks from discriminating in the making of loans. Discrimination in the Armed Forces and in employment under Government contracts is prohibited by Executive order. Only the Department of Health, Education, and Welfare continues to insist that the Constitution is not a part of its enabling legislation.

The Constitution makes no exception for the Department of Health, Education, and Welfare or any other Federal agency. If it prohibits discriminatory governmental action—as it surely does—these agencies have no choice but to obey its commands, no matter what action Congress eventually takes on the amendments offered today.

The requirements of the Constitution could not be more plain, but this appears to be one of those cases in which there is a legal wrong without a legal remedy. The Department of Justice or an aggrieved citizen can protest in the courts against the use of tax moneys by the States to violate the law of the land, but neither can hail Secretary Ribicoff before the courts for a redress of rights. Last year I introduced proposed legislation which would have authorized recourse to the Federal courts in such cases. I continue to believe that such general legislation is preferable to attempts to attach limited riders to specific bills. But the Department of

Health, Education, and Welfare objected to my proposal, and it was defeated in the Senate. If the President continues to refuse to direct a change in policy by the Department of Health, Education, and Welfare, amendments such as those offered today are the only alternative.

The Department of Health, Education, and Welfare has shown little desire to conform its programs to the requirements of equal protection. Whatever measures it has adopted reflecting such requirements have been adopted reluctantly and enforced halfheartedly.

We should give up trying to deal with this problem through the Department and assign to the reorganized Committee on Equal Employment Opportunity the responsibility for assuring that Federal grant-in-aid programs respect constitutional guarantees. This Committee now has jurisdiction over Federal employment and employment under Government contracts. Giving it authority over Federal grant-in-aid programs would be a logical and useful extension of its jurisdiction.

If the President uses his powers effectively, there will be no need ever to confront Congress with the amendments offered today. If the President fails to act, then the obligation will devolve upon Congress to make certain that the Federal Treasury is not used to finance violations of the fundamental law.

AMENDMENT OF TRADING WITH THE ENEMY ACT—AMENDMENTS

Mr. LONG of Louisiana. Mr. President, I had been informed that there was to be consideration today of S. 495, a bill to amend the Trading With the Enemy Act. It had been the intention of the junior Senator from Louisiana to offer amendments to that legislation, and one has been printed and is presently at the desk.

It is my feeling that, before any legislation is enacted to dispose of funds presently being held under the Trading With the Enemy Act, American citizens whose property was taken by Germany or Japan, or who suffered injuries from Germany or Japan, should be entitled to have their claims satisfied. Certainly, before the assets of enemy nationals seized by this Government is returned to those nationals, those who have claims against the foreign governments should have them fully satisfied.

Accordingly, it seemed to me that the approach of trying to pass legislation to care for those who were enemy nationals at the time of the last war was a matter of placing the cart before the horse. The first obligation of this Government is to look after those citizens of the United States, who suffered very great injuries or whose property was taken from them by enemy action during the last war, who have claims which probably should be recognized.

The proper procedure is for the Congress to pass proposed legislation such as S. 2618, which is presently on the calendar—but which I might say, lacks the payment provisions—in order to see that the funds will be made available for the paying of of claims of American citizens.

Accordingly, I have drawn up an amendment, which is at the desk, as a substitute for S. 495, as amended in committee, and which was to be called up today. In the event that the amendment in the form of a substitute failed, I had in mind offering the same amendment as an addition to S. 495, as amended by committee and reported to the Senate. In either case, my amendment assures that those who are entitled to have their claims adjudicated and paid might have a fund toward which they could look, in view of the fact that they are the Americans who should first be cared for, before the United States undertakes to restore property to people who were enemy nationals at the time, and to whom this Government has no obligation, but to whom the German Government, by treaty, has well acknowledged its obligation.

So I shall offer the proposed amendment to S. 495 if it is called up, and I ask that the amendment I offer today be printed and lie at the desk.

The PRESIDING OFFICER. The amendments will be received and printed, and will lie at the desk.

RAILROAD MERGER MORATORIUM—ADDITIONAL SPONSORS OF BILL

Mr. KEFAUVER. Mr. President, on April 3, 1962, I introduced S. 3097, which is legislation designed to defer decisions by the Interstate Commerce Commission with respect to major rail merger applications until December 31, 1963, in order that Congress may have time to develop a national transportation merger policy.

I am very pleased to note the support for this bill by the majority floor leader [Mr. MANSFIELD], and Senators METCALF, GRUENING, MCCARTHY, BURDICK, DOUGLAS, BARTLETT, MORSE, and SMITH of Maine, all of whom joined as cosponsors during the 5 days in which the bill lay on the table. I appreciate very sincerely their interest and support with respect to this matter.

In addition, Mr. President, since the first printing of S. 3097, I have been informed by Senators CHURCH, PASTORE, and CARROLL that they also wish to support this proposed legislation and desire to be joined as cosponsors. Again, I am indeed appreciative of their interest and cooperation, and accordingly I ask unanimous consent that Senators CHURCH, PASTORE, and CARROLL be listed as cosponsors of S. 3097 when that bill is next printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

AWARD OF MEDAL TO DR. GORDON SEAGRAVE—ADDITIONAL COSPONSOR OF JOINT RESOLUTION AND BILL

Mr. HART. Mr. President, on September 18, 1961, I introduced Senate Joint Resolution 139, authorizing the President to award a medal to Dr. Gordon Seagrave. On March 21, 1962, I introduced for myself and other Senators S. 3043, amending the Immigration and Nationality Act of 1952. I ask unanimous consent that the name of the distinguished junior Senator from Rhode Island [Mr. PELL] be added as a cosponsor to Senate Joint Resolution 139 and S. 3043 and printed on the same at their next printing.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF RULE XXXIV TO PROHIBIT THE SERVING OF HARD LIQUOR IN SENATE WING OF CAPITOL OR SENATE OFFICE BUILDING — ADDITIONAL COSPONSOR OF RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the name of the Senator from West Virginia [Mr. BYRD] be added as a cosponsor of Senate Resolution 325, to amend rule XXXIV to prohibit the serving of hard liquor in Senate wing of Capitol or Senate Office Building, submitted by the Senator from Oregon [Mr. MORSE], for himself and other Senators on April 5, 1962.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc. were ordered to be printed in the RECORD, as follows:

By Mr. DOUGLAS:
Correspondence on the Mourning Dove.

HOUSE APPROPRIATIONS COMMITTEE REQUESTS HIGH-LEVEL ATTENTION BY DEPARTMENT OF DEFENSE TO INFORMATION PROBLEM

Mr. HUMPHREY. Mr. President, it was gratifying to note in last Friday's report by the House Appropriations Committee on the Department of Defense bill for the 1963 fiscal year, an important statement on a subject which I had been pleased to take up with the committee.

On March 26, 1962, I had written to Chairman GEORGE MAHON, of the Defense Appropriations Subcommittee, pointing out that a Senate Government Operations Subcommittee, of which I am chairman, has made a comprehensive analysis of what I regard as serious weaknesses in the handling of scientific and technical information by the Defense Department.

RESULTS OF INFORMATION WEAKNESS

The subcommittee has received indication that because administrators and scientists are not getting the up-to-the-minute research information which they need, the following alarming results are occurring:

First. The equivalent of 300,000 man-years and a $1 to $2 billion equivalent in funds are being wasted.

Second. The already long "cycle" for weapons development is being stretched by 1 year to 5 years. This time loss is critical, in view of Soviet adeptness in speeding new weapons from conception to drafting board to operational reality.

COMMITTEE URGED HIGH-LEVEL ATTENTION

In response to my message, the House committee noted the information which I had furnished, as follows:

It was called to the attention of the committee that improvements in the management and dissemination of scientific and technical information could save not only money but the time of scientific and technical personnel.

The committee then reiterated, in House Report No. 1607, a position which it had expressed, following my similar recommendation to it last year:

The committee once again states its desire for the Department of Defense to give careful, high-level attention to this point.

EFFICIENCY IN $6.8 BILLION INVOLVED

The 1963 fiscal year appropriation bill allocates $6.8 billion for Department of Defense research, development, testing, and evaluation. This is the greatest single amount of such expenditures by any source within or outside the U.S. Government in the United States as a whole, or in the world.

A mass of evidence which our subcommittee has compiled attests to the fact that the yield from this vast scientific effort will remain seriously handicapped until what is, in my judgment, an appalling information mess in the Defense Establishment is straightened out.

Regrettably, the Defense Department has neither the streamlined, coordinated organization, the policy, the plans, nor the programs to do justice to the hundreds of thousands of scientific and technical reports—classified and unclassified—which it is using taxpayers' funds to support.

Secretary of Defense Robert S. McNamara would and could, in my judgment, straighten out this situation in a relatively brief amount of time, if he would find time, amidst his busy days, to devote his personal attention to the problem.

He has straightened out situations infinitely more complex than this.

OUR GOAL: A REVOLUTION IN INFORMATION THROUGHOUT THE EXECUTIVE BRANCH

The information gap in the Pentagon is but a symptom of a deeper seated situation throughout the executive branch. The situation is characterized by "horse and buggy" information systems, totally unsuited to the space age.

In my judgment, what is necessary is nothing less than a peaceful but profound information revolution throughout the executive branch. This revolution in the handling of scientific and technical information is necessary for national survival, for the progress of civilian science and technology, and for conserving the resources of America's taxpayers.

COMMUNICATING TO APPROPRIATIONS SUBCOMMITTEES

One of my personal aims has been to bring to the attention of as many Senate and House Appropriations Subcommittees as possible the findings on information pertinent to their particular interests and jurisdictions.

For this reason, I have communicated concerning weaknesses in the handling of medical research information to the House Appropriations Subcommittee, and I intend to do so with the Senate subcommittee.

Similarly, I have developed a series of pertinent findings for strengthening of the management of agricultural research information, of NASA research information, as well as of information supported by other major Federal agencies.

ARCHAIC METHODS OF HANDLING ALL TYPES OF INFORMATION

Thus far, I have referred only to scientific and technical information which is locked up in $9 billion of federally supported research and development expenditures.

The fact is that all types of Federal information should now be handled through modern-type systems. This includes administrative, legal, foreign policy, and other types of information.

The files of Federal agencies are groaning with mounds and mounds of unassimilated, unidentified, unused information.

OTHER EXAMPLES OF WEAKNESS: IN REGULATORY AGENCIES AND FOREIGN POLICY

For example, Federal regulatory agencies are decades behind in handling the information buried in tens of thousands of backlogged cases. The most archaic methods are being used by Federal commissions, and innumerable American businesses are suffering because justice delayed is justice denied.

In still another field, foreign policy, the State Department and the Agency for International Development are likewise decades behind in central management of information which is buried in tens of thousands of Federal, United Nations, and nongovernmental reports.

For these and other reasons, I intend to continue to urge every single Federal agency to put its information house in order and to cooperate with other agencies and the Bureau of the Budget in doing so.

As chairman of the subcommittee, I have worked on this problem for 10 years. I intend to persist until the vast amount of research funds which are allocated by the Government and are paid for by the taxpayers are used in a way that brings results. Far too many research findings are lost in the confusion of inadequate information systems.

I ask unanimous consent that there be printed at this point in the RECORD excerpts from House Report No. 1607, page 48, entitled "Management of Scientific Information"; and a writeup in the April 9, 1962 issue of Missiles and Rockets, describing my memorandum to Congressman MAHON. The full text of the memorandum was reprinted in the House committee's hearings, pages 310–326.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

EXCERPT FROM REPORT NO. 1607

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1963

Management of scientific information

A major problem in the administration of a research program of the size and scope of that prosecuted by the Defense Department is the control of excessive duplication in programs. The problem is complicated by the essentiality of following more than one approach to the solution of scientific enigmas. Even so, funds are wasted when independent researchers do not have access to information on the progress made by others working in the same area. It was called to the attention of the committee that improvements in the management and dissemination of scientific and technical information could save not only money but the time of scientific and technical personnel. The committee once again states its desire for the Department of Defense to give careful, high-level attention to this point.

[From Missiles and Rockets, Apr. 9, 1962]

INFORMATION MANAGEMENT ATTACKED BY HUMPHREY

Hidden waste within the Department of Defense may be costing taxpayers between $1 and $2 billion a year in the development of weapons systems and, in terms of time, may be adding 1 year to the 5-year development cycle of a weapon system.

Responsible for these conditions is the "unsatisfactory management of scientific and technical information by the Department of Defense."

These charges were made by Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, chairman of the Subcommittee on Reorganization and International Organizations of the Senate Committee on Government Operations, in a letter to the chairman of the House Subcommittee on DOD Appropriations, GEORGE H. MAHON, Democrat, of Texas.

"No matter how much the contractors spend, or how able or diligently they go about the task," the Humphrey memorandum continued, "they cannot possibly find all the Federal report-type information which they need when they need it.

"As a result, contractor scientists and engineers needlessly repeat work which has been done before, or which is being unknowingly done at the same time, in other locations, or on which there might have been a shortcut if ideas had been properly cross fertilized."

Noting that the House Appropriations Committee had urged DOD to give this matter close attention, HUMPHREY characterized subsequent defense efforts as "too little, too late, at too low a policy level, with too little followthrough and too few results—present or prospective."

Problem studied in depth: For the past 3½ years, the Humphrey subcommittee has been studying the problem of the documentation, coordination, indexing, and retrieval of scientific information stemming from Government-supported R. & D. projects.

The results of these studies which included the comments of scientists and engineers both within Government and industry have been published in a series of four Senate reports. The fifth report—"The Crisis and Opportunity in Scientific and Technical Information"—is now in preparation and is the basis for Senator HUMPHREY's memorandum.

Solution: upgrade Armed Services Technical Intelligence Agency? Asserting that the efforts of triservice information coordination will remain severely frustrated unless fundamental reforms are instituted, HUMPHREY advocates an expansion of the overall role of the Armed Services Technical Intelligence Agency.

A 19-point program—designed to remedy the inherent limitations in Armed Services Technical Intelligence Agency services today—has been developed by the Agency, according to the subcommittee chairman, and, with the proper support of higher authorities, would do much to correct existing deficiencies.

At present, the Armed Services Technical Intelligence Agency has a store of 650,000

documents and processes some 750,000 requests a year. However, since the Agency receives only 19 percent of the total technical reports of DOD prime and associated contractors, its inventory of reports is both quickly outdated and almost totally incomplete.

For example, until recently, the Polaris program has generated only 323 reports to the Armed Services Technical Intelligence Agency while the Minuteman project has contributed only 128 documents.

Another limitation of Armed Services Technical Intelligence Agency service, at present, is its inadequate staff. This means that currently, the Armed Services Technical Intelligence Agency requires 18 working days to process a technical request. The Agency's goal is to eventually reduce this processing time to 1 day and, on an emergency basis, to 1 hour.

DOD-level agency needed: Asserting that there is at present inadequate organization, interest, or responsibility for management of scientific and technical information at the DOD level, Senator HUMPHREY recommends that a small information unit be established in the Office of the Director of Defense Research and Engineering.

This Office, the Senator said, would evaluate, coordinate, and monitor the information activities of the services, advise the Secretary of Defense on the Department's future information role and provide liaison with other Government agencies involved in Federal information activities.

Decrying any intention to establish another bureaucratic layer at DOD level, HUMPHREY asserts that departmental-level responsibility for management of scientific and technical information is inescapable.

Additional recommendations for solving the information retrieval problem include: a specific line item in the R.D.T. & E. budget for intramural scientific and technical information and, as part of the report of the Committee on Appropriations, observations and requests for reports on DOD's future management of information.

ABORTIVE STEEL PRICE INCREASE AND GOVERNMENT POWER

Mr. JAVITS. Mr. President, the events of last week, involving the abortive steel price increase, have left a mark on the history of our Nation. I do not believe that it is presumptuous to say that this mark will not be soon erased.

The President found himself in a position where his protest was good and was backed by the overwhelming majority of the people, but the other steps taken by the President, using the Department of Justice and the FBI to get after business without necessary relation to violations of law, could, if it ever becomes regular procedure in such situations, threaten the foundations of our institutions based on the freedom of economic decisions and on the many-sided deliberation of Government policy.

Mr. President, the experience we must learn from the events of last week cannot be applied in the national interest by the drafting, with punitive and selective intent, of specialized antitrust or price control legislation. It cannot be applied by vesting additional emergency power in the President, when he already disposes of such vast powers and when we are faced, not with an emergency, but with a permanent fact of life today. It can, however, be dealt with by setting up a mechanism in keeping with the free institutions which must continue to serve as the framework of our national policies while serving the overriding national interest in a time of such challenge as this.

Mr. President, I shall ask to have inserted in the RECORD at the conclusion of my remarks an editorial from the New York Times of April 16, calling for "immediate steps to improve the cooperation of industry, labor and the Government." I believe that we should proceed to consider such steps and would like to bring to the attention of my colleagues a bill for this purpose to establish a Peace Production Board, S. 2204, which I introduced in the Senate last year. Also, I shall insert in the RECORD an editorial from the New York Herald Tribune of April 15 and from the Wall Street Journal of April 16.

The importance of a mechanism to achieve cooperative action among labor, management, and Government at all levels, resides not only in what it would do, but also in its ability to establish a procedure which will be deliberate and which would preserve traditional areas of responsibility for all participants. The White House Advisory Committee on Labor-Management Policy does not have the authority or the staffing to initiate economic policy as between Government and business. It is the job of the Congress to establish a mechanism which will be able to deal with the economic challenges of our time through the application of public policies conforming to our traditions and to exigency.

I am pleased to say that some small start has been made on the solution of this problem at the grassroots level through the provisions in section 205 of the Manpower Development and Training Act, which are designed to encourage the formation of local and industrywide labor-management-public committees. The value of such committees was demonstrated in the steel labor settlement, where the preparatory work of the industrywide committee was instrumental in taking several vital issues out of the conflict of bargaining negotiations.

I ask unanimous consent for an additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Furthermore, I am informed that many communities have already been in touch with the Department of Labor, requesting assistance in forming such local committees. This is indeed an encouraging response.

But, these local committees are only a part of the purpose of the Peace Production Act, S. 2204. They form essential bases for, but they do not solve, the broad national policy questions in the operation of the economy in the public interest. Grassroots responsiveness to this idea must be carried to the top levels of management, labor leadership, and Government.

Mr. President, I ask unanimous consent to have inserted in the RECORD at this point the text of S. 2204, so that the Members of the Congress and other readers may examine it in the context of these remarks and of the debate which has been taking place during the past week.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2204

A bill to increase United States productivity in the national interest and for the benefit of the individual worker and businessman, by promoting mutual understanding and cooperation between labor and management, encouragement of public responsibility in the private economy, and maximization of technical and managerial progress, through the establishment of a Peace Production Board and the support of local and industrywide boards

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Peace Production Act of 1961".

CONGRESSIONAL FINDING

SEC. 2. Congress hereby finds and declares that the national interest requires a productivity drive in order to meet the continuing responsibilities of the United States for the development of its own domestic economic strength and that of the free world; and in order to meet the threat of the growing and aggressive Communist bloc economic power. The Congress further finds that the major problems facing such a national productivity drive are an unacceptable rate of chronic unemployment, the underutilization of production facilities, a too frequent incidence of recessions, and the inadequacy of means for resolving labor-management disputes resulting in the loss of production vital to the national economy. The Congress declares that efforts to achieve success in a national productivity drive will be advanced through the acceleration of automation, the elimination of featherbedding in both management and labor, the reduction of absenteeism, the establishment of better procedures to avoid national emergency work stoppages, and the promotion of higher morale, which can best be achieved through cooperative action among labor, management, farmers, voluntary organizations, consumers, and all levels of government, while preserving the traditional areas of responsibility and interest of each. The Congress also declares that it is the responsibility of the United States under present international conditions to require the most effective mobilization and the maximum utilization of all elements of the Nation's productive forces.

PEACE PRODUCTION BOARD

SEC. 3. (a) There is hereby established in the executive branch an independent agency to be known as the "Peace Production Board" (hereinafter referred to as the "Board"), which shall be composed of twenty-five members as follows:

(1) The Vice President of the United States who shall be the Chairman of the Board;

(2) The Secretary of the Treasury; the Attorney General; the Secretary of Agriculture; the Secretary of Commerce; the Secretary of Labor; the Secretary of Health, Education, and Welfare; and the Administrator of the Small Business Administration;

(3) Four members who shall be representative of management in large and small businesses (as defined by the Small Business Administration) in manufacturing and service industries (including transportation);

(4) Four members who shall be representative of labor organizations in such industries;

(5) Two members who shall be representative of management in extractive and agricultural industries;

(6) Two members who shall be representative of labor organizations in such industries;

(7) Two members who are recognized experts in labor-management relations, at least one of whom shall be from the academic field; and

(8) Three members who shall be representative of the general public, and who shall be selected without regard to any interest or connection they may have with any of the foregoing areas.

(b) Members of the Board referred to in paragraphs (3) to (8) of subsection (a) shall be appointed by the President for terms of six years, except that of the members first appointed six shall be appointed for terms of two years, six shall be appointed for terms of four years, and six shall be appointed for terms of six years. Vacancies shall be filled in the same manner as the original appointments except that a member appointed to fill a vacancy occurring prior to the expiration of the term of his predecessor shall be appointed only for the unexpired portion of such term.

(c) The Board shall meet at least four times each year at such times as it shall determine or at the call of the President. A quorum shall consist of thirteen members.

(d) Members of the Board referred to in paragraphs (3) to (8) of subsection (a) shall receive compensation at the rate of $50 per diem while performing services for the Board, and while away from their homes in connection with attendance at meetings of the Board shall be entitled to transportation expenses and per diem in lieu of subsistence at the rate prescribed by, or established pursuant to, section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b–2).

(e) The President is authorized to appoint, by and with the advice and consent of the Senate, an Executive Director of the Board. The Executive Director shall be the principal executive officer of the Board and shall be paid compensation at the rate of $20,000 per annum. The Board is authorized to appoint, in accordance with the civil service laws and regulations, and fix the compensation in accordance with the Classification Act of 1949, as amended, of such other officers and employees as may be necessary.

(f) With the consent of the heads of other departments and agencies of the Government, the Board is authorized to utilize the personnel, services, and facilities of such departments and agencies in carrying out its functions under this Act. Such departments and agencies shall cooperate with the Board to the greatest extent practicable for such purpose.

(g) The Board shall transmit to the President and to the Congress an annual report of its activities under this Act.

OBJECTIVES OF THE BOARD

SEC. 4. It shall be the objective of the Board—

(1) to enlist the cooperation of labor, management, and State and local governments, in a manner calculated to foster and promote free competitive enterprise and the general welfare, toward the implementation of the national policy declared in the Employment Act of 1946 to create and maintain "conditions under which there will be afforded useful employment activities, including self-employment, for those willing and seeking to work, and to promote maximum employment, production, and purchasing power";

(2) to promote peaceful labor-management relations;

(3) to promote free and responsible collective bargaining;

(4) to promote sound wage and price policies;

(5) to promote a climate of cooperation and understanding between labor and management and the community, and the recognition by labor and management of the public interest in harmonious labor-management relations;

(6) to promote the maintenance and improvement of worker morale and to enlist community interest in increasing productivity and reducing waste and absenteeism;

(7) to promote the more effective use of labor and management personnel in the interest of increased productivity;

(8) to stimulate programs through which the social and economic problems of individual workers and management personnel adversely affected by automation or other technological change or the relocation of industries may be ameliorated; and

(9) to promote policies designed to insure that American products are competitive in world markets.

FUNCTIONS OF BOARD

SEC. 5. (a) In order to achieve the objectives set forth in section 4, the Board shall encourage and assist in the organization of labor-management-public boards and similar groups designed to further such objectives, on a plant, community, regional, or industry basis, and to provide assistance to such groups, as well as existing groups organized for similar purposes, in attaining such objectives. Such assistance shall include—

(1) aid in the development of apprenticeship, training, and other programs for employee and management education for development of greater and more diversified skills;

(2) aid in the formulation of programs designed to reduce waste and absenteeism;

(3) aid in the revision of building codes, zoning regulations, and other local ordinances and laws, in order to keep them continuously responsive to changing economic conditions;

(4) aid in planning for the provision of adequate transportation for the labor force and the promotion of employees safety and health;

(5) the encouragement of attendance by members of such groups at courses in industrial relations at institutions of higher education, and the fostering of close cooperation between such groups and such institutions for the purpose of developing such courses and for other purposes;

(6) the encouragement of studies of techniques and programs similar to those in paragraphs (1) to (5) of this subsection, as they are applied in foreign countries;

(7) aid in the development and initiation of production incentive programs;

(8) the dissemination of technical information and other material to publicize its work and objectives; and

(9) the dissemination of information and analyses concerning the economic opportunities and outlook in various regions and communities, and of information on industrial techniques designed for the increase of productivity.

(b) The Board is authorized to make recommendations to the President regarding legislation for price, wage, commodity, and materiel control, and commodity and materiel allocation, authorized to be exercised during periods of emergency, as it may deem necessary from time to time.

(c) The Board shall perform such other functions, consistent with the foregoing, as it determines to be appropriate and necessary to achieve the objectives set forth in section 4.

POWERS OF BOARD

SEC. 6. (a) The Board shall carry out the functions referred to in section 5 through—

(1) the utilization of the services and facilities of the departments and agencies of the Federal Government, and of such other governmental agencies, private groups, and professional experts as it deems necessary;

(2) the coordination of such services and facilities in order to supply technical and administrative assistance to labor-management-public groups designed to further the objectives set forth in section 4;

(3) grants to groups or individuals for financing up to 50 per centum of the cost of carrying out any project or program, including the setting up of local, regional, or industrywide labor-management-public boards, in furtherance of the objectives of the Board, but financial assistance shall not be provided under this paragraph in connection with any one project or program for a period in excess of three years, and not more than a total of $ shall be expended in any year for such purposes; and

(4) establishment of regional or industrywide advisory committees to advise the Board on ways and means to best fulfill its functions and to convene regional and industrywide conferences to formulate ideas and programs for the fulfillment of the objectives set forth in section 4.

(b) The Board may accept gifts or bequests, either for carrying out specific programs which it deems desirable or for its general activities.

APPROPRIATIONS

SEC. 7. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

Mr. JAVITS. I ask unanimous consent that editorials on the subject from the New York Times, the Herald Tribune, and the Wall Street Journal may be printed in the RECORD as a part of my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times, Apr. 10, 1962]

A NEW ECONOMIC BALANCE

The clearest moral of President Kennedy's swift triumph in the steel price battle is that there has been a fundamental shift in the power relationships governing our industrial society. The steel union's acceptance of a noninflationary wage contract geared to higher productivity, followed by the surrender of the major companies in their abortive attempt to raise prices, indicates that the public interest has ceased to be an abstraction in regulating the conduct of the great economic power blocs of management and labor.

It is now plain that a strong President, marshaling the pressures of Government and public opinion, can successfully lay down guidelines to give national needs primacy over the special claims of employers or unions. This does not mean we have moved into a controlled economy, but it does mean a new weight of concern for the total welfare. To insure that the revised balance will promote freedom, as well as responsibility, immediate steps should be taken to improve machinery for the cooperation of industry, labor and the Government.

The White House National Economic Conference, now being planned, offers an excellent instrument for creating such machinery on a permanent basis. The conference will permit a three-way interchange of ideas on how to achieve maximum progress in modernizing our aging industrial facilities, speeding national economic growth, improving our competitive position in world trade, combating inflation and reducing long-term unemployment. Government has no monopoly of wisdom in these matters. Neither has industry nor labor.

[From the New York Herald Tribune, Apr. 15, 1962]

IN THE WAKE OF THE STEEL ROW

There are some concrete advantages to the country in general in the maintenance of the old steel prices. A new inflationary wave

has been checked. It will, presumably, be easier to settle wage disputes in other industries on the basis of national interest. So far as prices go, American steel will not increase the competitive advantage of foreign producers. A long and bitter struggle between the Government and a major industry has been averted. The obvious disarray of the steel companies on the issue contradicts the theory of the monolithic structure of that industry on which some of the Government's punitive measures were based.

These are on the plus side of the ledger. The disadvantages of the enforced rescinding of the price increase may be less apparent to the public at large, but they are no less real and may, in the long run, be much more important.

In the first place, it was the considered judgment of most steel executives that the 3½-percent price rise was necessary to keep their companies healthy, in the light of increased costs during the past 4 years. This has been disputed, in general terms, but who except the responsible officials of the steel companies can really appraise this problem at this time? It is no service to the national economy to weaken one of its basic industries.

This is especially true in view of the generally conceded need of American steel to replace its obsolescent plant. Competition from abroad is keen, and growing keener; much of the foreign product is made in new, highly efficient mills and the original advantage which the United States possessed while these facilities were being constructed after the devastation of war overseas has been whittled down. Perhaps an increase in the price of steel is not the answer, or the sole answer, to this growing problem. But some recognition by the administration of the fact that the problem exists would have been in order.

The most troublesome legacy of the steel dispute, however, lies in the political, rather than in the economic field. Mr. Kennedy's successes in Congress, where he has the constitutional and traditional powers appertaining to the President and to the leader of the majority party, have been meager. On the very day that the steel companies succumbed to his threats, he was defeated in Senate and House committees on a key portion of his farm program, and the House Appropriations Committee rebuffed the President on two significant military items—the pace of RS–70 development and the size of the National Guard and Reserves. Most of the Kennedy domestic program has been stalled ever since he took office.

Yet the President has won a sweeping and undeniable victory in an area where he has no direct legal authority whatever. He has exerted pressures upon an American industry that he would never dare use upon a recalcitrant Congress; he has used language about industry leaders that, if applied to Congressmen, would create a major revolt.

The combination of Executive frustrations on Capitol Hill and successes against business is dangerous. There will be obvious temptations to seek administration laurels in easier fields than a stubborn Congress affords and the President's willingness to stretch his own prerogatives has now been demonstrated. The precedent of the steel case, whatever its immediate and practical effect, could easily rise to plague the Nation.

AN INCREDIBLE WEEK

In a long life not without its share of amazement, we never saw anything like it.

On Tuesday one of the country's steel companies announced it was going to try to get more money for its product. And promptly all hell busted loose.

We wouldn't have been surprised ourselves if some people had shaken their heads in puzzlement at the new price list. Although after 20 years of inflation a price rise in anything is hardly unusual, there was some reason for wondering if the company officials had made the right decision in today's market.

But what happened was no mere headshaking. The President of the United States went into what can only be described as a tirade. Not only had the company changed its price list without consulting him but it had also set a price which, in his opinion, was wholly unjustified. With a long preamble in which he rang in the Berlin crisis, the soldiers killed the other day in Vietnam, the wives and mothers separated from their husbands by the Reserve callup—all of which he cast at the feet of these "irresponsible" steel officials—he wound up by crying that these men had shown their utter contempt for the welfare of the country.

The response in Washington was instantaneous. The Justice Department, the Federal Trade Commission, the congressional inquisitors, all leaped to arms.

Then came the night riders. At 3 a.m. Thursday morning a reporter for the Associated Press was awakened by Government agents unable to wait even for regular office hours in their driven haste to find out what testimony he could give about the criminal conduct of these steel officials. At 5 a.m. it was the turn of our own reporter in Philadelphia. At 6:30 a.m. the scene was repeated in Wilmington, Del., for a reporter on the Evening Journal. All this without any warrants, only orders from the Attorney General of the United States.

By mid-Thursday morning the United States Steel Corp. had been subpenaed for all documents bearing on the crime and had learned that a Federal grand jury would move swiftly to see what laws had been violated by asking three-tenths of a cent a pound more for a piece of steel.

This brought us to Thursday afternoon. Then Mr. Roger Blough, the chairman of this company, felt forced to stand up to an assembly of microphones and television cameras and defend himself before the country for the wickedness of his deeds. And to be treated by the reporters at that gathering as if they were a part of the prosecution and he was, indeed, a malefactor in the dock.

And that leads to what is probably the most amazing thing of all about last week. Across the country—on the radio, in newspapers and at street corners the necessity of the defenders to justify themselves before the righteous accusers was simply accepted as a premise from which the trial should begin. There were few to say otherwise.

In such a climate it was not at all surprising what the mailed fist could do. All day Friday steel company offices were awash with Government agents, while the threats of punishment were mingled with promises of reward for doing the rulers' bidding. It is a technique of government not unknown elsewhere in the world, and it is a combination almost irresistible. So by Friday night Mr. Kennedy had his victory.

Finally the jubilation. The President himself said all the people of the United States should be gratified. Around him there was joy unrestrained at this proof positive of how naked political power, ruthlessly used, could smash any private citizen who got in its way. So far as we could tell, the people did seem relieved that it was all over and that the malefactors had been brought to heel.

Yet what, in all truth, is this crime with which these men stood charged by a wrathful President?

It had nothing to do with arguments about whether this particular asking price was economically justified, or fair to the steel stockholders, or somehow responsible for dead soldiers in Vietnam. This last is sheer demagoguery, and the others are questions no man can answer—neither Mr. Blough nor Mr. Kennedy.

What was really at issue here, and still is, is whether the price of steel is to be determined by the constant bargaining in the marketplace between the makers and buyers of steel; you may be sure that if the makers guessed wrong the market would promptly change their decision. Or whether the price of steel is to be decided and then enforced by the Government. In short, the issue is whether we have a free market system or whether we do not. That, and nothing more.

Thus the true "crime" of this company was that it did not get permission from the Government and that its attempted asking price did not suit the ideas of a tiny handful of men around the White House.

It was for this that last week we saw the President of the United States in a fury, a public pillorying of an industry, threatened reprisals against all business, the spectacle of a private citizen helplessly trying to defend himself against unnamed accusations, the knock of policemen on the midnight door. And there was hardly a voice heard rising above the clamor to ask what it was all about.

If we had not seen it with our eyes and heard it with our own ears, we would not have been able to believe that in America it actually happened.

Mr. JAVITS. Mr. President, I again point out it is difficult to make the distinction, because people are inclined to lump everything together, but it must be done, and I hope the American people will give attention to this matter. It is one thing to approve a denunciation of a price increase—it is a very different thing to countenance the use of the punitive force of the United States, in the Department of Justice or the FBI, to coerce anybody who is making an economic decision when there is no reasonable evidence as yet that there has been a violation of law.

SUBPENAS BY ANTITRUST AND MONOPOLY SUBCOMMITTEE FOR UNIT MANUFACTURING COSTS OF MAJOR STEEL COMPANIES

Mr. KEFAUVER. Mr. President, in the Washington Post, Tuesday, April 17, there appears on page A2 an article by Robert C. Albright, relating to steel industry studies and investigations. During the course of that article, it was reported that the Senate minority leader, Senator DIRKSEN, "complained of the action of the Kefauver subcommittee in subpenaing records of the big steel companies, saying it was done without a formal meeting of the subcommittee."

So that the RECORD may be full and complete with respect to the action taken by the Senate Antitrust and Monopoly Subcommittee, I should like to state that I canvassed each member of the subcommittee relative to the issuance of subpenas for unit cost information from the major steel companies, and obtained the approval of such issuance from the majority of the subcommittee in writing.

LOBBYING

Mr. PROXMIRE. Mr. President, information about the extent of lobbying, and who pays for it, is vitally important to the proper functioning of a democratic system of government. That individuals and groups should be able to

make their views known to their elected representatives is a cornerstone of our representative system of Government. It is equally important, however, to make detailed, accurate information about lobbying available to Congress and the public, as well as to State and local legislative bodies.

Information about the money that is spent to influence legislation, who provides it, its tax deductibility, how much is spent for various purposes, should also be available to the public.

An editorial in this morning's New York Times makes two points about lobbying that are worth noting in this connection. The editorial points out that the amount reported spent for lobbying in 1961 is the smallest for any year since the Federal Regulation of Lobbying Act was passed in 1946—in spite of what the Times described as "abundant evidence that Washington's 'Third House' has waxed fatter and richer with each passing biennium." It documents this interesting discrepancy by referring to the National Association of Manufacturers, which has not filed a lobbying spending report since 1950.

Secondly, the editorial relates this interesting phenomenon to the proposal in the pending tax bill to permit businesses and trade associations to deduct expenses in connection with lobbying.

On this point, as I made clear in my statement to the Senate Finance Committee recently, I completely agree with the New York Time's conclusion that "the Senate would be well advised to reject the provision for deducting lobbying expenses."

I intend to introduce an amendment to accomplish that if the committee does not do it in marking up the bill.

I estimate that less than 25 percent of all lobbyists in Washington comply with the registration requirements Congress has set up. I base this estimate on a study of oil and gas industry representatives during the 1960 session of Congress:

of the 41 lobbyists who did file reports, 36 violated the law by failing to give their specific legislative interests, 21 failed to comply with the law by stating whether they had received contributions of more than $500, 20 illegally refused to list the parties they had paid money to, and 17 did not state the nature of their employers' businesses as the law requires.

I ask unanimous consent that the editorial from the New York Times to which I have referred be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LIGHT ON LOBBYING

The fact that 312 groups registered under the Federal Regulation of Lobbying Act have reported spending a total of $3,770,109 in 1961 to influence legislation before Congress is noteworthy on two counts.

First, the amount reported is the smallest for any year since the act was passed in 1946, although there is abundant evidence that Washington's "Third House" has waxed fatter and richer with each passing biennium. Second, the figures appear at a moment when the Senate Finance Committee is considering a tax bill that would permit businessmen, for the first time, to deduct certain lobbying expenditures.

As passed by the House, the bill would permit taxpayers to deduct two types of expenses now disallowed: those incurred in appearing before or communicating with Members of Congress and congressional committees or their counterparts at State and local levels, and those incurred in channeling information between lobby organizations and their members regarding matters of direct legislative interest. In justifying this provision (on which no hearings were held), the Ways and Means Committee argued that it would encourage taxpayers to keep legislators informed as to the effects of proposed laws and give the same tax treatment to "legislative" expenses as to those incurred in dealings with executive agencies and the courts.

The amount of lobby spending reported—if any—is wholly within the discretion of a registrant. The National Association of Manufacturers, for example, has not filed a spending report since 1950. No one is charged with administering the act; prosecution for violation of its terms is all but unknown. It is high time that Congress set about the business of rewriting the statute to conform with an overriding public interest in securing the fullest possible disclosure of lobbying activities, year in and year out. Meanwhile, the Senate would be well advised to reject the provision for deducting lobby expenses, as an effort to put the cart before the horse.

BASIS FOR OPPOSITION TO ADMINISTRATION FARM PROGRAM

Mr. PROXMIRE. Mr. President, I have been repeatedly asked and today I wish to say exactly why I voted in the Senate Agriculture Committee to modify very substantially the farm proposals offered by the Department of Agriculture. What persuaded me to take this course was the very substantial probability that both the Department's mandatory feed grains and dairy proposals would be rejected by farmers voting in the nationwide referendums that would be necessary to put these programs into operation.

The result of such an outcome would be utter disaster. There would be huge overproduction of feed grains, resulting in an immense surplus over what could be consumed, whether this was bought and stored by the Government or not, and would have caused the most serious farm depression that this country has suffered in many years.

This would result even if a majority of farm producers, in the main feed grains and dairy areas, supported the mandatory program, because of the great and obvious likelihood that producers in other parts of the country would vote no in such a referendum. The crucial point is that just one-third plus one of producers voting in such a referendum can prevent approval of a program. In the case of both milk and feed grains, the evidence indicated that not one-third, but some two-thirds of farmers would vote no in such referendums.

I want to make clear that I have the greatest admiration and respect for Secretary Freeman and his staff. They have been doing an excellent job under very difficult circumstances. But I simply cannot bring myself to vote for a farm program which I am convinced, on the basis of all evidence and logic, will result in income devastation for farmers.

I also want to state that I accept the principle of supply management in agriculture. The only effective way to enhance the sadly deficient market power of farmers is by making it possible for them to limit output to what can be sold at fair prices.

THE DILEMMA OF THE MIDWEST

There is no doubt that dairy and feed grain producers in the Midwest are in serious trouble. Very proper concern has been expressed about the Government cost of current dairy and feed grain price supports. It is argued that if price supports are to be continued on these two major groups of farm products, producers must adopt mandatory supply management programs patterned on the successful wheat and cotton programs.

Yet many farm leaders outside the Midwest who make these statements report feed grain and dairy producers in their districts do not want controls. They say there is no overproduction of these products in their districts; they represent deficit areas. And herein lies the dilemma for Midwest producers.

Feed grains are grown on more farms and have a far higher value than any other farm crop. The value of feed grain production is greater than the combined value of the two next most important crops—cotton and wheat. In 1961 the value of the feed grains produced totaled $5.4 billion as compared with $6.6 billion for all other basic commodities—cotton, wheat, tobacco, rice, and peanuts.

Dairy products also are produced in every State in the Union, and in almost every county. Cash receipts from the sale of dairy products totaled $4.9 billion in 1961—almost equal to the value of the combined production of cotton and wheat.

GOVERNMENT LOSSES ON DAIRY PROGRAM RELATIVELY LOW

I am in complete agreement with those who say we must reduce the Government cost of farm programs. We also must adopt supply management measures to the extent feasible and avoid the production of unneeded and unwanted food supplies. But I would point out Commodity Credit Corporation losses on price supports for feed grains and dairy products in the three most recent fiscal years—1959–61—were lower in relation to the value of production or marketings than for wheat and cotton. The data are as follows:

Cost of Government price-support operations for cotton, dairy products, feed grains, and wheat, fiscal years 1959–61

	Average annual losses or costs	Losses as percentage of value of marketings [1]
	Millions	
Cotton	$315	12
Wheat	250	12
Feed grains	439	8
Dairy products	252	5

[1] Value of crops produced in case of feed grains.

I realize that the costs projected for this fiscal year and next for both feed grains and dairy products are higher than in recent years. But even though mandatory supply management programs are not adopted, they are unlikely to equal 12 percent of the value of the production or marketings.

On the other hand, if we attempt to require mandatory supply management programs as a condition for price supports for feed grains and dairy products, Midwest producers, even though they vote overwhelmingly for them, are likely to be deprived of price supports by the adverse votes of the producers in other sections of the country.

Cotton and tobacco growers who receive a substantial part of their cash income from these price-supported crops, I am told, tend to oppose mandatory supply management programs for feed grains and milk produced on their farms. Wheat producers in the deficit feed-grain producing sections of the Northern Plains and the Northwest are less than enthusiastic in endorsing a mandatory supply management program for feed grains which would result in acreage cutbacks on their farms. I doubt that they could be counted on to support the Midwest farmers by voting favorably on such a program in 1962.

Rough estimates based on the 1959 census indicate that approximately 30 percent of the producers having 25 or more acres of feed grains are in Ohio, Wisconsin, Michigan, Pennsylvania, New York, and the States of the Southeast. Most of the feed grains are fed to dairy herds and other livestock on these farms and the producers believe they have little to gain from feed grain price supports Another 12 percent located in the central Corn Belt and Western States have acreages of 25 to 50 acres. Again, most of these small farmers are diversified livestock men with little direct interest in the sale price of feed grains.

Not more than 50 to 55 percent of the feed grain producers are located in the Corn Belt, the Southwest, or Western States and have 50 acres or more of feed grains. These are the producers who have a direct interest in price supports comparable to that of the cotton and wheatgrowers.

In the case of dairy price supports, producers of milk for the fluid market under State or Federal milk marketing orders receive relatively stable prices of from $1 to $3 per hundred pounds above the market price for manufacturing milk for most of their supplies. Many of these dairymen are less than enthusiastic about joining with the midwestern producers in a nationwide mandatory supply management program.

MIDWEST INCOMES THREATENED BY VOTES OF OTHERS

It is one thing to say that price supports without production controls cannot be justified. But it is quite another thing to say that midwestern producers whose incomes depend entirely on feed grains and milk for manufacturing should be denied reasonable price supports because oteher producers of these products, whose incomes are partially protected by other price support and Federal order programs, vote unfavorably on proposed mandatory supply management programs.

Furthermore, if there were any indication the producers of feed grains as a whole would vote "yes" in a referendum on the mandatory program, the situation would be entirely different. But the fact is that there has been no such indication.

Without exception every poll and study has shown that feed grain producers overwhelmingly oppose production limitations. Yet if merely one-third plus one vote "no," the program is rejected, and prices will plummet.

And there is ample reason for this. Feed grains differ from all other commodities under supply limitation programs in that a very large part of our output is neither bought or sold in a marketplace, but is fed directly to livestock or dairy cattle on the farm. Far from being sellers of feed grains for cash, and thus amenable to the discipline of the marketplace, these feed grain producers often buy feed to supplement what they produce themselves. They think they have every reason to vote against the kind of mandatory program that has been proposed, unless an extensive and persuasive educational campaign has convinced them otherwise.

Right now there is absolutely no evidence to indicate that two-thirds or more of feed grains producers will vote for a mandatory program in a referendum. All the evidence—and it includes the opinions of practically every farm writer, reporter, economist, and pollster in the country—indicates the opposite.

Consequently, offering a mandatory program at this time will have precisely the opposite result. As certain as night follows the day, it will mean a "no" vote in the referendum and then a disastrous, precipitous drop in prices, with all the unfortunate side effects that we know will result. Rather than offer such a probability, I believe the Congress should continue the present feed grains program for an additional period, preferably with the addition of strengthening amendments, as I shall suggest.

I am not convinced that either the administration or the producers of these two most important farm products have exhausted the possibilities of developing supply management programs tailored directly to the complex economic interests of the producers located in the different sections of our diverse country.

I believe we should endorse the principle of extending mandatory supply management programs to feed grains and dairy products if and when the administration and the producer organizations are agreed they have developed mutually satisfactory and acceptable programs.

In the meantime, I am confident that with modifications the current voluntary feed grain adjustment program, if continued, will reduce surplus stocks to desirable levels at a much lower annual cost than was incurred for the 1961 program.

ECONOMIC ASPECTS OF EXTENDING THE CURRENT FEED GRAINS ADJUSTMENT PROGRAM

Although the current voluntary feed grains adjustment program cannot be continued indefinitely, with modifications it can be continued as long as surplus Government stocks are available for payments-in-kind with a reasonable expectation that Government costs will be substantially lower than in 1961. It also offers promise of reducing feed grain carryover stocks to desirable levels within a reasonable period. A continuation of the 1961–62 program with modifications could be expected to achieve these results while maintaining market prices for feed grains at current or slightly higher levels, with less Government interference in commercial marketings of grain than in 1961. These expected accomplishments appear to meet the essential criteria for future programs established by President Kennedy and Secretary Freeman.

If the 1961–62 feed grains program were to be continued until stocks are reduced to desirable levels, increased participation could be obtained and Government costs for the program could be reduced by adopting several or all of the following modifications.

First. Offer price support on other crops not under marketing quotas, such as soybeans, flaxseed, dry beans and oats, only to farmers who participate in the feed grains program if they also produced feed grains.

Second. Limit ACP cost sharing payments to farmers who participate in the feed grains program if they produce feed grains.

Third. Limit SCS technical assistance in designing drainage or irrigation systems and land use plans to farmers who participate in the program if they produce feed grains.

Fourth. Limit USDA storage facility loans to farmers who participate in the program if they produce feed grains.

Fifth. Permit pasturing on the diverted acreage on small farms or on all farms if the producer accepts substantially lower per-acre diversion payments.

If several or all of these modifications were made in the 1961–62 feed grains program, it could be reasonably anticipated that participation in the program would be higher, excess stocks would be reduced more rapidly and Government costs would be lower as compared with the 1961 experience.

I regret that the Senate committee did not accept these amendments, which in my opinion would greatly strengthen the current voluntary feed grains program. The first four have in common a very simple principle, one which on the basis of my own experience I know many farmers understand and would accept. That is: Farmers who choose not to comply with a voluntary production reduction program should not be permitted to benefit from Federal subsidy programs in other areas. This would add a sensible incentive to back up the generous inducement offered farmers to win compliance. Those farmers who want the freedom to continue to plant all they want could do so. But they could not at the same time continue to receive lucrative subsidies of various kinds also offered by the Department of Agriculture.

UNCERTAINTY IN GRAIN MARKETS COULD BE REDUCED

A common criticism of the 1961 feed grains program has been the uncertainty introduced into commercial grain marketings resulting from the Secretary of Agriculture's unlimited authority to sell Government held grains equal to the cash value of the payment-in-kind certificates.

If the program were extended until stocks are reduced to desirable levels, this uncertainty could be reduced without adverse effects on program accomplishments. A provision might also be added that the Secretary could not sell grain to redeem the payment-in-kind certificates at more than 15 cents a bushel below the support level, that is, if the support level were retained at $1.20 a bushel for corn, no "certificate" corn could be sold for less than $1.05 a bushel.

In order to assure that the noncooperator benefits would not exceed those of the cooperators in case of unfavorable weather and a short crop, the Secretary of Agriculture might be granted authority to sell additional CCC stocks at not more than 5 to 10 cents a bushel below the price support level. Operating within the limits of these authorities, the Government could stabilize market prices within a range of $1.05 to $1.15 a bushel, or 5 to 15 cents below the loan level until surplus stocks are reduced to desirable levels.

THE 1961 RESULTS MINIMIZED BY UNUSUALLY FAVORABLE WEATHER

Louis M. Thompson, associate dean of agriculture and professor of agronomy at Iowa State University, after an exhaustive statistical analysis of factors affecting corn yields, 1935–61, concludes that 7 percent more corn was produced in the five major Corn Belt States—Iowa, Illinois, Indiana, Missouri, and Ohio—in 1958–60 than would have been produced had we experienced average weather in those years.

Moreover, in these five States which produce about half the corn in the United States, corn yields were 8.9 bushels or 15 percent higher in 1961 than in 1960. Dean Thompson estimates that two-thirds of this increase was the result of more favorable weather in 1961 than in 1960.

Other studies attribute a greater part of recent yield increases to heavier fertilizer use and improved technology but confirm Thompson's conclusions that favorable weather was an important factor in the 7.3-bushel-per-acre national average increase in corn yields in 1961. In spite of the most favorable corn-producing weather in the Corn Belt on record, it is estimated that feed grains utilization in the current marketing year will exceed 1961 production by 7 million tons, the equivalent of 250 million bushels of corn. Carryover stocks next October are expected to decline for the first time in 10 years.

With a part or all of the modifications suggested above, a voluntary adjustment program can be expected to reduce surplus stocks with less Government cost even though corn-growing weather continues to be unusually favorable. If the weather is only average in the next few growing seasons, sharp reductions in surplus stocks would be expected.

REAL GOVERNMENT COSTS REDUCED BY PAYMENT IN KIND

The face value of the payment-in-kind certificates, paid to cooperators for diverting their feed grain base acres to conservation uses in 1961 totaled $782 million. Since the Commodity Credit Corporation is realizing about $1 a bushel from its sales of corn and grain sorghums, it will be forced to sell about 782 million bushels of these grains to realize the cash value of the payment-in-kind certificates.

Preliminary estimates indicate that with CCC sales of this magnitude, about 550 million bushels of 1961 corn will be placed under price support loans and delivered to the CCC.

Although there are many ways of estimating the cost of the 1961 feed grains program, one realistic way is to assume that the corn sold out of Government inventories otherwise would have been kept in storage until storage costs equaled or exceeded its current market value. Looked at in this way, the real cost to the Government is the cost of acquiring the 1961 corn—about 550 million bushels at $1.20 per bushel, or $660 million—plus Government acquisitions of other 1961 feed grains.

Had the weather in 1961 been no more favorable than average, feed grain production would have been several hundred million bushels smaller, and fewer 1961 feed grains would have been acquired by the Commodity Credit Corporation under price support operations. Had we experienced only average weather this past growing season the real cost to the Government of the 1961 feed grains program would have been very low indeed.

If the current feed grains program were to be continued until stocks are reduced to desirable levels, with a part or all of the changes as indicated, including pasturing a part of the diverted acres; per acre diversion payments might be expected to average 15 to 20 percent less than in 1961. Fewer payment-in-kind certificates would be issued and less CCC grain would have to be sold in the market. If the weather during future feed grain growing seasons should be only average, very little new feed grains from the current year's production would be acquired by CCC under price support operations. Over the period of years required to reduce stocks to desirable levels the real costs to the Government might well average little more than half of those experienced in 1961. The reduction in costs would be achieved by avoiding placing such large quantities of the current crops under Government loans as in 1961.

THE 1961–62 EXPERIENCE WILL BE REVEALED MORE FULLY IN JULY

At the present time the amount of the 1961 crop which will be acquired by the CCC under price support operations can be estimated only roughly. Also, the amount of participation in the 1962 program is uncertain and the extent to which nonparticipators may increase their feed grain plantings is unknown.

The July crop report is the first report which will show the acreage of feed grains planted under the 1962 program. By that time more will be known also about the extent of the price support operations for the 1961 feed grains.

If extension of the feed grains program were delayed until July, any desired modifications could be considered in the light of the facts shown at that time.

USDA STUDY NEEDED OF IMPLICATIONS OF PASTURING DIVERTED ACRES

Preliminary and informal studies indicate that the increased pasturage resulting from allowing producers the option of pasturing their inverted acres would not seriously affect the livestock industry. This added pasturage would be used primarily to increase beef and dairy breeding herds leading to increased market supplies, for the most part, 2 to 4 years later. Taking into account the total feed used by beef and dairy cattle at the present time, informed technicians estimate in a preliminary approximation that additional pasturage on the diverted acreage resulting from such a change in the program would increase the total feed supplies for beef and dairy cattle by not more than 1 percent annually.

In evaluating the possible adverse effects on the beef and dairy producers of pasturing diverted acres it is important to note that changes are required in the current dairy price support program in any event. Also, the indirect benefits of a feed grains program in reducing excessive competitive supplies of hogs and poultry probably more than offsets the potential increase in beef cattle feeds resulting from pasturing diverted acreages. To the extent that permission to pasture the diverted acres should result in increased participation and increased reductions in feed grain production, there would appear to be a net gain to beef cattle producers as well as to all livestock producers.

In order that better informed judgments can be made regarding the desirability of allowing pasturing on the diverted acreage—with reduced diversion payments—the Secretary of Agriculture might well be requested to have his technical staff make a special study of the economic implications of pasturing diverted acres.

TESTIMONY BY SENATOR PROXMIRE BEFORE SELECT COMMITTEE ON SMALL BUSINESS

Mr. PROXMIRE. Mr. President, this morning I appeared before the Select Committee on Small Business to discuss the small business investment company program. The select committee has been holding a series of open hearings as part of its present review and investigation of the SBIC program.

Because I have been concerned about some features of recent operations by SBIC's, I presented a statement to the select committee. I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILLIAM PROXMIRE BEFORE THE SELECT COMMITTEE ON SMALL BUSINESS, U.S. SENATE, WASHINGTON, D.C., APRIL 17, 1962

The generous capital privileges and rich tax benefits available to small business investment companies were established for one purpose: to assist small businesses needing loanable funds. I am concerned about the tendency of some SBIC's to use these advantages to make very large commitments in large business operations, often of the multiple-unit type. In my view this is a perversion of the intent of the SBIC program.

It was the stated purpose of the Small Business Investment Act of 1958, establishing this program, "to improve and stimulate the national economy in general and the small business segment thereof in particular."

I firmly believe that it should continue to be our primary concern to assist small businesses by providing access to loans and equity capital which are more readily available to larger firms. The welfare of SBIC's must be closely related to how well they serve small businesses.

My concern about the very large number of smaller small businesses needing loans and capital leads me to urge this Committee to direct its questions not so much to the SBIC's, but to the small business community they were created to serve.

The comments by your many SBIC witnesses have, I am sure, provided much useful information. However, asking such interested witnesses about the program is not necessarily the best way to find out how small businessmen feel about it.

While I note that SBIC's were asked to describe their aids to small business, and to cite cases which especially exemplify the value of the SBIC program to small business and the Nation, this may not provide an accurate or meaningful appraisal. Such a survey is rather like publicly asking a general about the welfare of his troops. Sometimes the answer merely reflects the welfare of the general.

I raise this point because I know from personal contact with many small businessmen that they have objections and reservations about the SBIC program, among them these:

1. Small businessmen feel that the main goal of many SBIC's often is dominant ownership of their company. This they object to strongly.

2. Small businesses in need of loanable funds who come to SBIC's for loans frequently find they must give up significant shares of ownership to get any money.

3. Small businesses feel that SBIC's drive hard bargains, with very high interest rates and heavy surrender of equity.

4. SBIC's have shunned some kinds of business entirely. One of these, the men's retail clothing field, passed a resolution to this effect at a recent national convention.

Whether these and other criticisms coming from large numbers of small businessmen are justified or valid or even avoidable, I do not wish to judge at this time. But I do think that a fair appraisal of the SBIC program should include a thorough investigation at the grassroots level of how small businessmen feel about it.

The field hearings by this committee could well have served the additional useful purpose of asking small businesses generally how they feel about the SBIC program. I regret that this opportunity has apparently been missed.

In the opinion of many small business owners, another aspect of the SBIC program as it has developed to which they object is the rising trend toward large loans and investments, particularly by some of the big SBIC's. I share this view.

The purpose of the $500,000 limit is to keep the obviously attractive and profitable SBIC program to its proper function of aiding small business. In the occasional instances where commitments above half a million dollars may still be warranted for small business purposes, the law permits up to five SBIC's to join in a commitment of up to $2.5 million. Limiting the commitment of a single SBIC removes some of the obvious incentive to make exclusively large loans.

The questionnaire sent by the committee to all SBIC's is designed primarily to gather information relating to the welfare of SBIC's, not small business. I believe it would be of at least equal importance similarly to survey the financial position and opinions of small business firms, both those who have had dealings (successful or unsuccessful) with SBIC's and a sample of those who have not.

Undoubtedly much valuable information will be ascertained by means of this questionnaire. The questions which it asks relate significantly to the SBIC program. However, I would observe that for the purpose of getting an accurate statistical appraisal of SBIC's, the questionnaire has certain weaknesses. Specifically, nearly all the questions are open ended. This means that any answer which the SBIC considers suitable can be given.

Questions asking respondents to give data on operations without guidelines, categories, or brackets in which to structure the information are of little use for overall statistical purposes. Census Bureau experts, who can be of great assistance in statistical inquiries of this kind, strongly emphasize the key importance of such "precoding." Without it the result of a survey is a difficult-to-digest mass of data; with it a survey lends itself readily to significant and useful analysis.

The specific points that I think could be usefully surveyed with the aid of such techniques include:

(a) How many small business firms seek SBIC financing, compared to how many get it? What are the reasons for the turndowns? Are there categories of small business which do not get SBIC money? If so, why?

(b) Are any SBIC's functioning in effect as personal holding companies?

(c) Do some SBIC's limit their activities to financing a small circle of enterprises? Were some SBIC's formed for this purpose? How many SBIC's actively seek new situations, and how do they do it?

(d) What specific factors in a small business firm's operations influence the SBIC's decision to make a commitment? (Such information would be especially useful to small business firms.)

(e) Are SBIC's tending to concentrate their operations in and around large cities?

These are questions that could well be asked of SBIC's. As I stated above, I consider it of equal importance to ask small business firms their views on these and other points.

I would emphasize that the importance of getting data in a form that can be dealt with readily is made all the greater by the fact that the specific responses must, of necessity, as stated in the chairman's letter, be kept confidential. I fully recognize the need for this requirement. But it does underline the need for accurate and significant statistical analyses.

I am distressed by what appears to be a recent tendency to limit entry into the SBIC program. At least one recent regulation has had the effect of fencing out potential new SBIC's, some of whom I know from firsthand information would be among the most worthwhile type of SBIC.

The regulation I have in mind is the requirement for a personal financial statement from the directors and principal stockholders of new SBIC's. It is interesting to chart the progress of this regulation. As first promulgated, it applied to all existing SBIC's. The uproar that arose in the SBIC community caused this order to be withdrawn. But it was retained to apply only to new proposed SBIC's.

It has had the effect of discouraging a number of individuals, some on the verge of forming SBIC's, from going into the program. Some of these people have not previously been active in the field. But they were attracted by the possibility of making a useful contribution to the development of small business in their communities. In several cases, those were prominent and successful men in small towns.

When the requirement of a personal financial statement was added, with conflicting overtones, many of these potential investors became discouraged and withdrew. It is my understanding that the number of new SBIC's formed since this regulation went into effect has fallen sharply.

The "fencing in" of SBIC's is also the result of the view, several times expressed by officials of SBA, that minimum SBIC's are less satisfactory than bigger ones, because they can't afford the staff to carry on an extensive operation. On the basis of my present knowledge many of these smaller SBIC's appear to be doing a fine job, particularly in making the small loans and investments which I feel must be encouraged. I see no reason why a considerable expansion in the number of small SBIC's should not continue. This would bring new talent into the field. The additional competition would cause existing SBIC's to range farther afield in search of investment opportunities—and thus would benefit small business generally.

I can see no justification whatsoever for limiting SBIC's to a few in each area. While this might establish a protected situation for the favored few, it would eliminate the all-important spur of competition, which here as elsewhere can be relied upon to bring the benefits of investment capital and loans to an increasing number of small businesses.

Let me just add in conclusion that more than one small business has told me wryly that SBIC's offer a mighty hard bargain. Continued free entry into the SBIC program would permit small businesses to "shop around" for better deals.

WASHINGTON POST WRITERS CRITICIZE INVESTMENT CREDIT, LOBBYING DEDUCTION

Mr. PROXMIRE. Mr. President, recently I testified before the Finance Committee on two provisions of the impending tax bill which I consider unwise, the proposed investment credit and the proposal for the deduction of business lobbying expenses.

Two articles in the Washington Post and Times Herald during the past few days discussed these tax changes. The first, by staff reporter James E. Clayton, is headed "Revived 'Lobbyists Aid Act' Stirs Controversy." The second, by J. A. Livingston, bears the title "Investment Credit is One More Tax Loophole."

I ask unanimous consent that these two articles, as well as a copy of my prepared statement to the Finance Committee, be printed at this point in the RECORD.

There being no objection, the articles and statement were ordered to be printed in the RECORD, as follows:

TUCKED IN TAX REFORM BILL—REVIVED LOBBYISTS AID ACT STIRS CONTROVERSY

(By James E. Clayton)

Tucked away in the middle of that massive tax bill which the Senate Finance Committee is considering is a section headed

"Appearances, etc., with respect to legislation."

The section is a little one as such sections go, but it has a long history and a big potential.

One name that has been proposed for it is the Lobbyists Aid Act. The reason is that the section would permit business firms to deduct from their taxable income many of the expenses of their lobbyists.

Another proposed name is the Legislators Aid Act. The reason is, the House Ways and Means Committee said, in approving the section, that it might bring legislators information that lobbyists might not otherwise present.

PURCHASE LEGISLATURES

One lobbyist, who prefers to remain anonymous, says it ought to be called the bill to authorize the purchase of State legislatures. He thinks the major effect of the section will be to increase lobbying at State capitols.

But another lobbyist says the section only gives businessmen a fair chance to get their views heard by lawmaking bodies. Lobbying is just as important to businesses now, he claims, as many other expenses that can be deducted from taxable income.

No one seems to be exactly sure what the section means. It was dropped into the tax bill, without hearings, during a closed session of the House Ways and Means Committee. It passed the House without debate.

Nor is anyone who knows saying how it got into the bill. One administration official said, "The Congressmen who pushed this thing through were simply trying to do a favor for their friends."

Since the full implications of the section are somewhat unclear, its opponents interpret it to show how much mischief it contains and its proponents demonstrate that it is drawn narrowly to meet specific problems.

Senator WILLIAM PROXMIRE, Democrat, of Wisconsin, says it would give "a thoroughly unjustified tax advantage to special business interests." Senator PAUL DOUGLAS, Democrat, of Illinois, has indicated much the same view.

RACETRACKS CITED

One example cited is that the section would let a racetrack deduct many of its expenses in lobbying before a State legislature in favor of on-track betting, but would not permit a Presbyterian minister to deduct his expenses for opposing the same legislation on moral grounds.

Another example is that a corporation could deduct some of its dues to a trade organization that lobbied against a tax bill, but a member of the League of Women Voters could not deduct dues to her organization for favoring the same bill.

What the section does is to say that business firms may deduct the following as expenses in figuring their income tax:

Any money they spend to present their views on legislation of direct interest to them to any committee or individual member of any legislative body in the Nation.

Any money they spend in transmitting information on similar subjects between their firms and trade associations.

The part of their membership dues in a trade association that is spent by that association on either kind of activity outlined in the other two provisions.

There are two specific prohibitions. Deductions would not be allowed for expenses in a political campaign or in a general propaganda campaign aimed at the public.

TWO BASIC ARGUMENTS

The Ways and Means Committee, in its report, makes two basic arguments for the section.

It says that expenses incurred by business firms in appearing before administrative and judicial bodies are already deductible and that this merely puts appearances before legislative bodies on the same footing.

It also says that business firms should not be discouraged in making information available to Members of Congress or of State legislatures. Apparently, the committee thinks that businesses have been discouraged from lobbying because they cannot now deduct lobbying expenses.

To this one Congressman said, "I'll be swamped if this passes. Every businessman in my district who comes to Washington on vacation will demand to see me so he can write off the costs of his trip as a lobbying expense."

The proposal had its origins in 1959. In that year, the Supreme Court upheld the Internal Revenue Service ruling that lobbying expenses are not ordinary expenses that a business can deduct. Soon afterward, IRS issued new regulations and started to crack down on such deductions.

BILLS WERE PROMPT

Almost immediately, a number of bills appeared in Congress. Representative HALE BOGGS, Democrat, of Louisiana, introduced one to make deductible all lobbying expenses on matters directly related to the taxpayer's business. Representative WILBUR MILLS, Democrat, of Arkansas, chairman of the Ways and Means Committee, introduced one drafted by the American Bar Association to limit such deductions to direct appearances before legislative committees. The Treasury Department, in the Eisenhower administration, backed the ABA approach while the Commerce Department argued for the Boggs bill.

The Ways and Means Committee reported out the Boggs bill in 1960 but it died in the House. In January and February of this year, the committee voted down that approach and settled for the narrower one, which has since passed the House.

The chamber of commerce has already let it be known that it thinks the House bill is too narrow. It wants the Senate to replace the measure with one sponsored by Senators VANCE HARTKE, Democrat, of Indiana, and ROBERT S. KERR, Democrat, of Oklahoma, which would permit deductions for any lobbying expenses, even those on subjects unrelated to the taxpayer's business.

Last week, Secretary of the Treasury C. Douglas Dillon said the Treasury is now opposed to even the version that passed the House.

INVESTMENT CREDIT IS ONE MORE TAX LOOPHOLE

(By J. A. Livingston)

When businessmen refuse tax concessions, it's like children rejecting candy.

When the President of the United States tries to push on businessmen an 8-percent investment tax credit and they react to it as children to castor oil, that's also news.

But there's a difference between castor oil and the investment credit. Medical evidence indicates that castor oil works.

The supposed beneficiaries of the tax credit are certain that (a) it won't work and (b) it's not their medicine.

The National Association of Manufacturers is against it. So is the U.S. Chamber of Commerce.

Furthermore, the AFL–CIO objects to the proposal as a windfall.

Opposition has driven the administration to redoubled defense of what only it seems to want.

Here's how the administration puts its case: International competition is increasing. U.S. industry needs to be lean, hearty, and modern. The credit will stimulate investment in new facilities.

So far, no argument. Who's going to kick modernization or Santa Claus?

Businessmen say the proper cure for investment anemia is revision of Treasury Bulletin F, long deferred and long promised. This bulletin, which sets forth allowable depreciation rates on machinery, plant, and equipment, hasn't been revised adequately since 1942, though more liberal rates—shorter life—were granted to the textile industry on machinery and the administration has promised revision in other major industries.

Senator WILLIAM PROXMIRE, Democrat, of Wisconsin, usually an administration faithful, condemned the credit proposal before the Senate Finance Committee because it would grant tax benefits to business firms even if they do not change their investment decisions one iota.

I think Treasury experts are victims of analogy. They found that investment credits often supplemented depreciation rates on business equipment in Europe. They noted that production in recent years has expanded more rapidly in West Germany, Italy, France, Belgium, and other continental countries than here.

Ergo: If investment tax credits imported a lift in Europe, why not a similar incentive here.

But is that logical?

When the war ended, European businessmen had to rebuild and reequip. Shortages existed. Demand was greater than supply. Profits were promising. Consumers wanted the comforts and conveniences they had so long forgone. But business firms were short of capital. So governments helped with special tax credits.

Moreover, growth here was rapid in early postwar years simply because consumers and businessmen quickly went about making up for wartime austerities. But since our deficiencies were less than those of Europe, the U.S. growth rate ultimately slowed down comparatively.

Growth in the Soviet Union has also been more rapid than that of the United States. Nevertheless, the U.S.S.R. has no investment credit to spur on its industrial commissars. Production in Europe and the U.S.S.R. during the war was catastrophically disrupted and diminished by war. Naturally, the catch-up process would last longer there.

For me, the investment credit is one more loophole in a tax structure full of loopholes. Tax rates—both individual and corporate—are too high; exemptions and exclusions too numerous.

Businessmen's decisions are based—not necessarily on what's good for business—on how to save taxes. High personal tax rates set up a tug of war each year between a man's conscience and what he thinks he can get away with.

The sooner tax rates in general come down the better it will be for the tone of society and the economic tone of business. And the investment credit, if enacted will be one more loophole to get rid of in a general overhaul and simplification of the tax structure.

The Senate will perform a public service by burying the proposal under an avalanche of "nays." One more patch in a patchwork quilt is the last thing we need.

STATEMENT BY SENATOR WILLIAM PROXMIRE BEFORE THE SENATE FINANCE COMMITTEE, APRIL 6, 1962

Mr. Chairman and members of the committee, I would like to discuss two parts of the tax bill. These are: Section 2 dealing with a proposed credit for investment in certain depreciable property, and section 3, dealing with appearance and other costs with respect to legislation.

INVESTMENT CREDIT

Regarding the investment credit, I oppose it because it would not work, it is unfair to other taxpayers, it is hypercyclical, and it would result in a huge revenue loss to the Treasury.

1. One principal disadvantage of the investment credit is its unfortunate equity concept. It will give a business firm tax benefits which are more than 100 percent of costs. For a corporation in the 52-percent bracket, the investment credit is equivalent to depreciation of 114 to 116 percent of the cost of newly acquired assets. Other taxpayers—excepting those who receive percentage depletion—are limited to deductions of 100 percent of costs. Granting such an exceptional privilege raises a serious question of tax equity.

I am concerned, therefore, as I am sure you must be, about the potentially dangerous precedent set by the investment credit. It is not unlikely that other groups will request similar tax treatment. Retailers may request more than 100-percent deductions for the costs of carrying inventory. Construction firms may request more than 100-percent deductions for buildings they own. Teachers could request deductions for more than 100 percent of the costs of advanced courses. Individuals who borrow money to invest in homes may request more than 100-percent deductions of their interest costs incurred in the purchase of homes.

2. The investment credit is also undesirable because it will tend to accentuate the business cycle. Far from contributing to business stability, it is in fact hypercyclical. It aggravates the business cycle by encouraging investment during a period of inflation and discouraging it relatively in a recession, when businesses have less income against which to write off new investment.

If the proposed credit stimulates investment—which I doubt—the stimulus will be greater in those periods when investment is likely to be high in any case. Thus, investment will be stimulated exactly in those periods when there is little or no need for an investment stimulus. Contrariwise, the investment credit will have its least stimulative effect when investment prospects are dim. Hence, the credit will tend to accentuate present fluctuations in investment. If there is any single goal sought by administration economic policy, it is to increase growth by stabilizing the economy and ironing out fluctuations. This proposal will have exactly the opposite effect. It will be inflationary in boom times. It will increase unemployment in recession periods.

The investment credit is also undesirable from a cyclical standpoint because it serves to reduce Government revenues exactly at those times when Government revenues should be raised to curb private demands for goods and services; namely, in inflationary periods. If the Federal budget were otherwise in balance during a prosperous period, the effect of the investment credit would be to create budget deficits in the prosperous periods. Certainly this is fiscal irresponsibility in its purest form. Moreover, it is bad economics. Almost all economists, regardless of their political persuasion, feel that the Government should run surpluses during periods of high employment. The investment credit will serve to reduce those surpluses, or throw the budget into a deficit position, exactly in those periods when surpluses would be most appropriate.

3. One basic criticism of the investment credit is that the goals which are sought by this device are inappropriate. Specifically, the credit is designed to stimulate artificially the rate of physical investment in the United States. Why do we need an artificial stimulus to obtain more investment than the free market deems appropriate? A fundamental tenet of our economic system is that, wherever possible and to the greatest possible extent, we will permit free-market forces to determine the amounts and types of goods to be produced. The investment credit attempts to interfere with the free-market decisions of consumers and producers.

It is also argued that the investment credit is needed to stimulate physical investment to compete with foreign countries. Such competition takes many forms. If standard of living is the area of competition, then we have managed well to date without the investment credit, and no credit seems appropriate simply to obtain additional quantities of products described above.

If "competition with foreign countries" refers to our balance-of-payments position, then it seems ridiculous to support the investment credit for all industries in the United States simply to aid the relatively few firms that actually compete overseas.

Moreover, there has been remarkably little evidence provided indicating that lack of investment is holding back U.S. firms in foreign competition. First, it is not clear that U.S. firms are suffering significantly in their competition with foreign industry. Second, it is not clear that, if such suffering is occurring, it is due to lack of investment. It could just as easily be due to lack of initiative, weakness of new designs, excessive labor costs, insufficient mobility, or many other reasons which would not be affected by the investment credit. Surely, the burden of proof is on those who support the investment credit to indicate that the problems of foreign competition—which were so heavily stressed by Secretary Dillon on Monday—in fact exist and would be significantly reduced by adoption of the investment credit.

4. What grounds do we have for doubting the efficacy of the investment credit?

First, the credit will be given to business firms even if they do not change their investment decisions by one iota. Obviously, business firms are always engaged in making investments. On all of these investments, they will obtain the proposed credit. But the only justification for the credit is that new investment, over and above what would normally be made by a business firm, will be encouraged as a result of the credit. Nonetheless, business firms receive the cake-credit, and can eat it, without taking any new and additional actions to earn it.

Secondly, businessmen themselves are not responding favorably to the proposed credit. A responsible survey by the Wall Street Journal indicates that virtually all the businessmen interviewed would consider the proposed investment credit as a windfall and did not plan to change their investment plans if the investment credit were enacted. Mr. Chairman, I would like to submit a copy of this Wall Street Journal article for the record.

It is rare in the area of tax policy to have advance laboratory tests of the potential effectiveness of policy proposals. Such laboratory tests, when available, should certainly be examined closely. In this case we have the example of the accelerated depreciation methods which were introduced in the 1954 Internal Revenue Code. One of the primary purposes of these accelerated methods was to encourage greater business investment in plant and equipment.

Yet, look what happened. Before the enactment of these new methods, the growth in capital stock per worker was roughly 3.5 percent per year. After the adoption of the accelerated depreciation methods, capital stock per worker grew by only 1.9 percent per year from 1954 to 1960. In other words, instead of acceleration of business investment as a result of the new depreciation methods, there was a very substantial drop-off, so that the rate of increase was only about one-half what it had been in the earlier period. The effect of this on output per worker was significant. Output per worker in the period from 1947 to 1954 increased by 3.3 percent per year. After the accelerated depreciation methods were enacted, the rate through 1960 was only 2.1 percent.

How can we explain this lack of effectiveness of a tax stimulus to investment so analogous to the investment credit? It seems to me there are several available explanations.

One, while the tax benefits were being given, there was still no corresponding increase in aggregate demand for the goods and services which additional investment could produce. Therefore, while there were cost savings through tax reductions, there was no particular stimulus to obtain more investment to produce more goods and services. The tax stimulus, as I am sure will be the case with the investment credit, was simply reflected in increased profits, rather than increased production.

Two, the period since 1954 has been generally one of excess capacity due to inadequacy of consumer demand. Given this excess capacity, there are relatively few marginal investment decisions which will be encouraged by an investment tax stimulus such as accelerated depreciation or the proposed credit.

Three, there is ample indication that prices of products are sometimes administered prices. When this is the case, prices are less subject to market forces. Such prices tend to stay up under circumstances in which they could be reduced. Returns from increased investment for a business firm come only if the firm reduces its prices to sell the increased quantities that can be produced with the additional investment. Rather than expanding plant and equipment to produce more goods and then lowering prices in order to sell the additional goods, some firms have been content to maintain prices and sell lesser quantities that require lesser amounts of plant and equipment. The tax stimuli to investment, therefore, reflect themselves merely in higher aftertax profits at constant price levels, rather than in greater production at lower price levels.

A principal argument for the investment credit is that business firms need additional cash for additional investments. The facts refute this justification. There is no evidence that the major firms, which do the great amount of investing in the United States, need additional cash flows to finance further investment. Take General Motors, for example. G.M. set aside depreciation reserves of $1,637 million during the years 1957 to 1960, while it invested only $1,589 million in plant and equipment combined. During those same years, it retained profits after payments of dividends in the amount of $1,017 million, out of which it added $965 million to its cash and security holdings—rather than in physical investment—so that the total of its financial holdings at the end of 1960 was $1,637 million—ironically, the same amount as its depreciation reserves. Surely General Motors has not been in need of an artificial tax advantage to support further physical investment.

The G.M. case is typical of many large firms and reflects the situation in industry generally. Table 1, drawn from the recent report of the President's Council of Economic Advisers, indicates that, in the period from 1959 to 1961, funds available from internal sources alone exceeded total plant and equipment outlays for industry generally. This is completely aside from the additional funds that would be available through new debt financing or new equity issues.

TABLE 1.—*Relationship of plant and equipment outlays to internal funds*

[Billions of dollars]

Period	(1) Plant and equipment outlays	(2) Funds available from internal sources [1]	(3) Col. (2) as percent of col. (1)
1950–54	$107.2	$97.1	90.6
1955–58	113.2	108.4	95.8
1959–61	88.9	93.0	104.6

[1] Retained profits and depletion allowances, and depreciation and amortization allowances.

It has been alleged that the low level of investment in recent years has been due to a squeeze on corporate profits. Two sets of facts indicate that this reasoning is fallacious. The first set of facts involves the history of the last few years. This history indicates quite clearly that corporate profits are quite sensitive to the rate at which capacity is being utilized. Corporate profits have been low only when capacity is not being fully utilized. Since the rate of utilization was higher in the early period of this decade, it follows that the ratio of profits to GNP would be higher in the earlier period. This in turn, suggests that the lack of investment has been due to an inadequacy of final demand, rather than a lack of corporate profits. Lack of investment is a symptom, not a cause.

The second set of facts concerns the relationship between corporate profits and that part of the national income which originates in corporations. If the corporate share of economic activity falls, corporate profits decline as a percentage of GNP, even when corporate profits are a stable percentage of the income flow through corporations. Table 2 indicates this relationship quite clearly. If a comparison is made simply between corporate profits and GNP, as indicated in line 2 of table 2, this percentage has gone down. However, if corporate profits plus capital consumption allowances are related to national income originating in corporations—which is the more relevant comparison—it is clear that the ratio in recent years has been higher than at the beginning of the decade—even though unemployment rose from 3.7 to 6.1 percent during the same period.

TABLE 2.—*Comparative corporate income rates, 1950–53, 1954–57, and 1958–61*

[Percent]

Item	1950–53	1954–57	1958–61
Corporate profits after taxes:			
Percent of gross national product	5.9	5.3	4.5
Percent of national income originating in corporations	12.6	11.4	10.1
Corporate profits after taxes plus capital consumption allowances:			
Percent of gross national product	9.4	10.0	9.7
Percent of national income originating in corporations plus capital consumption allowances	18.8	19.5	19.3
Unemployment as percent of civilian labor force	3.7	4.6	6.1

Source: U.S. Departments of Commerce and Labor.

The investment credit, by providing a windfall tax break for businesses, would cost the Treasury $1.8 billion the first year. At a time when the Federal budget is in precarious balance, such a revenue loss, which will accomplish so little, should not be incurred.

LOBBYING ACTIVITIES

I oppose the tax deduction for lobbying expenses because it would give a thoroughly unjustified tax advantage to special business interests over the public interest.

Contributions to lobbying organizations that fight for their ideals—be they left, right, or center—are not tax deductible. Contributions to groups like the American Civil Liberties Union, the Americans for Constitutional Action, and the League of Women Voters are prohibited by law from tax exemption.

But if this provision is enacted, special interest business groups, whose financial interests may run counter to the public interest, will get a juicy tax break.

This proposed new tax deduction is the one part of the bill that is flatly opposed by the Treasury.

This is one of the very few significant changes made in the law in years on which the House Ways and Means Committee conducted no hearings.

Section 3 of the bill would allow businesses and trade associations, but not the ordinary citizen nor the individual specialist, to deduct costs incurred in connection with promoting or opposing particular legislation. The bill as presently written would allow deductions for not only the expenses of appearances before congressional committees, but also expenses involved in personal contacts with individual Members of the Congress, personal contacts with State and local officials, and all expenses incurred by trade associations in propagandizing a particular point of view with their individual Members.

I consider this provision of the bill wholly indefensible on several different grounds. First, from a legislative standpoint, the Ways and Means Committee has held no hearings on this particular measure. Certainly there should be an opportunity for the general public to be heard by the Ways and Means Committee on this subject before the legislation is enacted.

Second, from a legal standpoint, section 3 of the bill represents a change in a long-standing principle which has been supported on several occasions by Federal courts, including the Supreme Court. The Internal Revenue Code provides for deductions only for ordinary and necessary expenses. It is far outside the ordinary and necessary income-producing procedures of business to attempt to influence legislative decisions. While the Treasury Department has apparently not attempted to enforce fully its present regulations, dereliction of duty should not be a justification for legislative change.

Third, the proposed change can be criticized on equity grounds. It clearly and explicitly discriminates in favor of business lobbying and against lobbying by private citizens or individual specialists. Thus the provision serves to rig the odds against legislation for the general well-being, and in favor of specialized legislation for the few. It is difficult enough at present for the individual legislator to obtain information on both sides of the question upon which we must legislate. In effect, the new provision means that some tax funds now coming to Uncle Sam will be returned to businesses and trade associations in order that they can present their case more effectively, while at the same time discouraging individuals, who presumably have less capacity to meet lobbying costs, from incurring those costs. Thus the flow of information to legislators is diverted so that it comes more freely from certain sources and is less available from other sources.

Fourth, the proposed section can be criticized on economic grounds. The Federal Government, through this measure, will be subsidizing the diversion of resources away from productive output for the benefit of the national economy into specialized propagandizing purposes designed solely to benefit the few. These proposed deductions are not equivalent to deductions for advertising. Advertising is intended to disseminate knowledge to the many about products which are available in the market. The proposed deductions are for expenses designed to influence the few for the special benefit of a few.

The proposed provision on lobbying expenses will only discriminate against certain nonprofit lobbying organizations, such as the League of Women Voters. These organizations, like industry trade associations, are usually nonprofit and are generally not subject to tax on their own activities. However, contributions to these organizations, like contributions to industry trade associations, are only deductible by the contributors to the extent that the contributions are not used by the associations to support lobbying activities. Section 3, of H.R. 10650, would permit contributions to trade associations to be deductible even though the contributions were used by the trade associations for lobbying purposes. This change would be made on the grounds that the contributions were "ordinary and necessary" business expenses. However, contributions to organizations such as the League of Women Voters would not be deductible to the extent that the league engaged in lobbying activities because the contributions in that case—under the proposed bill—would not be considered as "ordinary and necessary" business expenses. Therefore, the bill tends to discriminate in favor of lobbying activities by industry trade associations and against lobbying activities by certain other groups which have been of great assistance to legislators in the past.

Mr. Chairman, I stated at the beginning of this statement that I believed there were two sections of the bill before you which were inimical to the best interests of the general public. I believe the case against both these provisions is clear cut and overwhelming.

BLOSSOMS ON THE KYLE PALMER TREE

Mr. ENGLE. Mr. President, a great journalist passed from the scene early this month. He was Kyle Palmer, the political editor of the Los Angeles Times. Bob Hartmann, Washington bureau chief for the paper, has written an article about his old friend that should warm the hearts of Kyle's many friends and admirers.

Sometime ago Kyle Palmer sent Bob Hartmann a pink dogwood tree. It has just burst into bloom. On this nostalgic note, Bob Hartmann recalls the many memorials that Kyle Palmer left him. In winding up his article he touches on the credo that dominated the career of Kyle Palmer and distinguished him as a newspaperman: the belief that a reporter's most powerful weapon is truth, that his most dangerous trap is cynicism.

I ask unanimous consent that the article from the April 6 issue of the Los Angeles Times be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BLOSSOMS ON THE KYLE PALMER TREE

(By Robert T. Hartmann)

The pink dogwood tree in our front yard has just burst into glorious bloom, as it does every spring. But this year it has more buds than ever before.

What has this to do with Washington, D.C.—a city famed for its delicate cherry blossoms and indelicate politicians? Why write a column about a dogwood tree?

Ours is not just any old dogwood tree. It is, and always will be, the Kyle Palmer tree.

There seems a special symbolism in the fact that its annual rebirth occurred just as Kyle laid aside his burdens by the Pacific.

Kyle, my predecessor here in the Times Washington Bureau when I was a 2-year-old toddler, never liked the weather much on the shores of the steamy Potomac. But he genuinely liked politicians and this is their apogee. So he used to make pilgrimages to check up on the young statesmen he had launched into national orbit and, sometimes, waited out their reentry as well.

On one of these visits, about this time of the year, my wife and I took our friend and mentor for a Sunday afternoon ride through the Maryland countryside. It was just coming to life after a long winter, and the dogwoods were especially lovely.

Kyle Palmer was born in Tennessee, and although he shifted his adult allegiance to California and Hawaii he never lost the hickory ruggedness of his native State and the courtliness of its southern tradition. Nor could he forget the dogwoods, he told us.

Later, a little pink dogwood was delivered with his compliments.

The last time Kyle revisited his old haunts in the Capital (where doors swung open as his footsteps sounded) he inspected his tree. Already it was as tall as he.

But its fragile petals had given way to green leaves and he said sadly he probably would not see them next year.

I pooh-poohed this, of course, for Kyle Palmer seemed indestructible to any Times man, and still seemed so a few months later at the national conventions in Los Angeles and Chicago.

But a little over a year ago the fatal illness struck, and I could only send him a color snapshot of the pink blossoms which failed to do them justice.

My camera was all loaded to catch this year's brief flowering at its peak.

We knew the dogwood would surely blossom, though foreknowledge did not lessen our delight when it did. And we know the finest and fullest lives will surely end but it does not decrease our sadness.

Kyle Palmer left me, among many others, continuing memorials less tangible than a dogwood tree. For many decades, he gave the Times a tradition of political action and intimate association with the great, near-great and would-be greats of government.

He fought hard, but fairly, not only for the principles but for the people he believed in. I know of no one in this cruel and cutthroat business of politics who bore him any ill will.

It was Kyle who pointed me on my way in Washington 8 years ago on the raw March day when Puerto Rican gunmen sprayed the House of Representatives with hot lead. We were quietly eating luncheon while this sensational shooting took place, but I can't think of any news story I have more profitably missed.

For Kyle Palmer was telling me some of the things he understood about politicians that few reporters do: that they are human beings, more often than not honorable, and probably put a higher premium on trust than men in more secure jobs. That a reporter's most powerful weapon is truth, that his most dangerous trap is cynicism, and that above all else politics is about people.

Mr. KUCHEL. Mr. President, will my colleague yield?

Mr. ENGLE. I am delighted to yield.

Mr. KUCHEL. I wish to associate myself with the comments of my colleague with respect to the passing of the late Kyle Palmer, one of the truly great political editors in all the history of American journalism and also with the statement he has made respecting the eloquent and moving tribute paid to our late friend by Mr. Robert Hartmann, the chief of the Washington bureau of the Los Angeles Times and a longtime intimate associate of Kyle on that great newspaper. Like my colleague, I cherish the memory of Kyle Palmer for practically my lifetime. All of us, in and out of politics in our State, grieve at his passing, and extend our profound sympathies to his dear wife and family.

TRADE-FAIR SHIPS

Mr. ENGLE. Mr. President, events in the past few years have demonstrated beyond any doubt that the United States must substantially increase its exports in order to maintain a healthy domestic economy. We likewise realize that our economic welfare remains the bellwether for the free world in its struggle with the Communist ideology. Thus it behooves us to make every possible effort to promote and expand our exports, and this effort should and must embrace all segments of this Nation—Government, management, and labor.

The reasons for this have been well documented by the studies and reports of private and Government economists. I refer Senators to the special staff study made by the Committee on Commerce during the last Congress, as well as to reports made on this subject by the Select Committee on Small Business and the Joint Economic Committee.

In truth, while there have been some differences voiced as to the means to be employed, there has been an unprecedented unanimity as to the necessity for taking steps toward increasing the flow of capital goods from our shores, and thereby stemming the unfavorable tide of our balance of payments.

Last year our balance of payments improved considerably, and much credit for this is due to the terrific job the Department of Commerce has done under the able direction of Secretary Hodges. It has been most gratifying to see the Commerce Department rapidly implement into its programs suggestions made by the Congress, sometimes even before they have taken the form of legislation.

During the first session of this Congress, the Senate passed and sent on to the House S. 1729, a bill which I introduced, and on which I presided during the hearings held by the Committee on Commerce. This bill contains a number of means by which the Commerce Department can aid in the promotion of exports. Although S. 1729 is still in committee in the other body, I have recently learned that most of its provisions concerning the Department of Commerce have already been implemented, so far as is possible under existing legislation.

Among the improvements which the Department has already put into effect are: greater emphasis at trade fairs on selling American goods, rather than the old practice of demonstrating products which were beyond the means or needs of the countries involved; the establishment of permanent trade centers overseas—there is now such a center in London, one will open soon in Bangkok, and two more are planned for Frankfurt and Tokyo; more efficient and expanded use of trade missions; and an increase in the services offered to American businessmen in the export field by Commerce Department representatives both here and overseas.

There is, however, at least one further means of increasing exports which the Commerce Department has not adopted to date. This is in the use of trade-fair ships, which would provide a means for exhibiting our products in port cities throughout the world. Basically, this ship would carry the products of small businesses, which cannot afford to set up their own agencies overseas, but for whom great markets remain untapped. Last year, 20 Senators, myself included, joined in sponsoring Senate Joint Resolution 73, a bill to provide for the establishment and use of such trade-fair ships. My own bill, S. 1729, was amended to include enabling legislation for such an enterprise, in hope of earlier action.

Regrettably, however, our hopes did not reach fruition, and the trade-fair ship has remained on the drawing board so far as the United States is concerned. I repeat, we do not have any trade ships, but that is not to say that other nations have failed to make use of this valuable means of increasing exports.

An article in the New York Times of April 1 describes the activities of Japan in this field. The Japanese are now building a new 12,000-ton vessel to be used as a trade-fair ship, having already sent three other ships on similar missions in alternate years since 1956. If we need proof of the practical value of traveling trade fairs, Japan, one of the greatest trading nations of the world, has offered it to us by its own example. I feel that the Times article is of interest to all of us, and I shall ask that it be included as part of my remarks.

I have requested the Department of Commerce to look into this matter and, by checking with their personnel overseas, determine how efficient and practical this venture by Japan has been. I hope that from the evidence so obtained we will have a basis for going forward with plans of our own.

The United States cannot leave unexplored any avenue for increasing our exports, and it is my intention to pursue this question of the value of trade-fair ships until I am satisfied as to its worth to the United States. If, as I now am inclined to believe, it is a practical and efficient means of demonstrating and selling American goods, then there is no reason why we, the world's greatest trading nation, should not launch our own fleet of trade-fair ships to open new ports to American products.

Mr. President, I ask unanimous consent to include in the RECORD in connection with these remarks the article from the New York Times of April 1, 1962, in regard to the Japanese development of trade-fair ships.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JAPAN DEVELOPS TRADE-FAIR SHIP—NEW "SAKURA MARU" WILL BE READY FOR FALL CRUISE

A sleek new funnelless Japanese liner, the 12,000-ton *Sakura* (Cherry Blossom) *Maru*, will go on cruise next fall and winter as a

showcase for the promotion of Japan's oversea trade.

The 515-foot motor vessel is being built for the Japan Industry Floating Fair Association. On her first voyage she will visit 12 ports in the Near East and in Africa.

Her trip, which will last from November 12 to March 6, when she is due to return to Kobe, Japan, has been officially designated the Fourth Japan Industry Fair. The tour will be made under the auspices of Japan's Ministries of International Trade and Industry, Foreign Affairs and Transportation.

EXTENSIVE DISPLAY FACILITIES

Display facilities aboard ship include 430 booths, each of 355 square feet, in three exhibition halls. About 10,000 items of machinery, durable consumer goods and textiles will be displayed. A trade mission of 100 persons will accompany the ship.

Japan's newest seagoing trade fair—Tokyo has sent three other ships on similar missions in alternate years since 1956—will visit Saudi Arabia, Lebanon, Turkey, Greece, Morocco, Tunisia, Libya, the United Arab Republic, Sudan, Tanganyika, and Kenya.

The *Sakura Maru*, which is costing about $5,850,000 to build, is now being completed at the Kobe yard of the Mitsubishe Heavy Industries, Reorganized, Ltd. She will have a 17.6-knot speed.

By present plans, the ship, after completing other trade promotion voyages through 1964, will be used as a passenger liner on a Japan-Brazilian run. In this service she will be operated by OSK (Osaka Shosen Kaisha) Line, primarily as an immigrant carrier.

The *Sakura Maru* will have air conditioned accommodations for about 1,000 passengers, the majority of whom will be carried in dormitory spaces. She will also have a small cabin and tourist class.

U.S. MEASURE IN CONGRESS

In contrast to Japan's use of floating fairs for the promotion of export trade, U.S. moves in this direction have been rare.

One ship line, the Isbrandtsen Co., Inc., has been sponsoring privately a program under which a limited number of display containers have been transported aboard its 'round-the-world cargo ships for showing at port of calls en route.

Legislation is pending in Congress that would make available one or more ocean-going Government-owned vessels that could be converted to display the products of American industry and agriculture.

The measure, introduced in January by Representative ROMAN C. PUCINSKI, Illinois Democrat, has been indorsed by maritime industry and maritime labor spokesmen. It has been referred to the House Committee on Interstate and Foreign Commerce, but no action has been taken on the bill so far.

PLATFORM OF ILLINOIS YOUNG REPUBLICAN COLLEGE FEDERATION

Mr. DIRKSEN. Mr. President, the Young Republican College Federation of Illinois met in convention at Peoria, Ill., on February 17, 1962, and there adopted a platform. This document merits wide currency and I ask unanimous consent, therefore, that it be printed as a part of my remarks.

There being no objection, the platform was ordered to be printed in the RECORD, as follows:

PLATFORM OF ILLINOIS YOUNG REPUBLICAN COLLEGE FEDERATION PASSED IN CONVENTION AT PEORIA, ILL., FEBRUARY 17, 1962

PREAMBLE

We, the members of the Illinois Young Republican College Federation, do herein declare the basic fundamental principles of the Republican Party to be:

That in accordance with the natural rights and dignity of the individual, he should be free of all unduly restrictive governmental forces;

That the natural rights of man are embodied in the Constitution of the United States and that the role of Government is to uphold and perpetuate these constitutional rights;

That international communism represents the most immediate and dangerous threat to these fundamental rights and must be defeated and supplanted by Western democratic ideals; and

That the safest repository for these rights lies in a public, well-educated, operating in a free economy, and protected by powerful defenses and a vigorous foreign policy.

To implement these principles, we offer the following platform:

AGRICULTURE

We believe that the farm crisis, caused by excessive Government intervention, calls for a realistic settlement. Our goal is an agricultural economy governed by the natural laws of supply and demand. Believing that this plan and only this plan can relieve the burden on the American taxpayer, and solve the problems of low farm commodity prices, overproduction, and an equitable share of the nation's net income for the farmer, we propose:

To continue to favor policies which will provide an orderly adjustment of agricultural production to fit our needs. We will support programs designed to bring about an orderly and definite liquidation of Commodity Credit Corporation surplus stocks. Such programs should provide only limited government control and direction and should allow the farmer to make his own operating decisions.

To support programs and policies to further expand our domestic and foreign markets for agricultural products. We support Public Law 480 and the broadening of its scope. We emphasize that these efforts be tied to the long-range development of dollar markets for our products.

To support continued emphasis on research. This includes research on new crops, new products, consumer demand, and new processing, packaging and promotion methods that will assist in enlarging our markets.

To recognize farm production needs and to liquidate the Commodity Credit Corporation. We support a practical land retirement program which will recognize the right of the farmer to make a choice in the acceptance of such a program as to the most effective way to eliminate this excess on total cropland and not just submarginal lands.

To support a plan for voluntary resettlement for farmers and their families who wish to seek employment in other fields.

To oppose all measures of rigid production quotas and rigid price supports. We believe these seriously hamper foreign trade advantages for this country and tend to add to the gravity of the internal crisis.

To commend Illinois' 20th District Congressman, PAUL FINDLEY, and to vigorously support his plan to utilize the principle of payment-in-kind to reduce our staggering farm surplus. We endorse the Republican Party's plan for creating a strategic food reserve for national emergencies and the strengthening of the food-for-peace program. We laud the valuable work done by the American Farm Bureau Federation in preserving conservative principles in American agriculture.

ECONOMIC POLICY

We believe that the free market economy is a sound and growing economy, that a free economy is necessary for preserving individual liberty, and that only this freedom can be ultimately successful in waging the cold war against communism.

We favor the growth of private enterprise. To this end we encourage corporate expansion by an increase of depreciation allowances. Also, we favor holding the limit on capital gains taxes with an effort toward eventual reduction of this tax.

We favor constant effort toward devising a more incentive-encouraging tax structure.

We oppose any increase in the present national debt limit of $300 billion.

We favor taking positive steps to improve the dollar's value abroad by fighting inflation at home.

We favor the continued independence of the Federal Reserve Board.

We favor the removal of the ceiling on long-term Federal Treasury bonds to shift investment emphasis from the short-term to the long-term bonds.

We favor relating wages in production to productivity in order to maintain our competitive position at home and abroad.

We favor across the board tariff reductions as proposed originally by the European Common Market rather than selective tariff cuts. However, we deplore the proposed usurpation by the executive branch of the constitutional function of Congress to determine national foreign trade policy.

We favor keeping expenditures less than revenues except in times of war or economic adversity.

We favor maintaining the current depletion allowance rates on national resources.

EDUCATION

We affirm that the success of a workable and effective government is in direct proportion to the extent of the education of its people. Realizing further the increased demands being placed on American education by the increased complexity of modern society, we recommend the following, with respect to education in America:

We believe that the financing and responsibility for education is primarily a local concern, and as such, should be handled on the local level rather than on the Federal level.

We feel that the present aid to private schools should not be increased in scope.

We recommend that the individual should be allowed a deduction from Federal income tax equal to the amount paid for local school taxes, and that the individual be allowed a deduction from his Federal taxable income equal to the amount paid for college tuition.

We demand that American education be subjected to a critical evaluation with the express objective of modification in such a manner as to raise intellectual achievement at all levels.

We favor the desegregation of public schools. However, we object to attempts by the Federal Government to circumvent the 10th amendment to the Constution of the United States by interfering with the right of State and local governments to determine educational policies within their jurisdictions.

We affirm that as students attending the February 1962 Seventh Annual Convention of the Illinois Young Republican College Federation, by a vote of 122 to 9, with 9 abstentions, declare that the National Student Association (NSA) does not speak for us.

We urge that the students of all colleges and universites in Illinois seriously consider the value of continued membership in NSA.

In the light of our own evaluation, we further recommend that all colleges and universities in Illinois withdraw from NSA.

FOREIGN POLICY

We believe that the purpose of American foreign policy must be to maintain freedom for the American people, to hearten and fortify the love of freedom everywhere, and

above all, to work for a just peace among nations of freemen.

We maintain that the United States is engaged in a war with the international forces of communism and that we must take the offensive toward winning that war. We assert that the sole criterion for judging foreign policy is whether or not that proposed policy will further the just interests of the United States. To implement this policy, we state the following:

Realizing that no nation can purchase friendship and respect on the world market, we advocate limiting foreign aid to those anti-Communist nations which will use the funds and military assistance for the furthering of freedom and strengthening of the free world alliance; not to those countries which use it to build a Socialist superstate.

We oppose U.S. participation in any form of summit conference with Communist rulers unless there are preliminary negotiations which lead to sound progress toward the goal of freedom and peace.

We support U.S. membership in the United Nations.

We urge that the Congress of the United States conduct a thorough investigation, with public hearings, to determine the facts about the U.N. operations in the Congo, Cuba and Goa, and the bearing of the U.N. conduct in general on the security and interests of the United States.

Since the U.N. has proved ineffective in keeping peace in the world and has used aggressive force in the domestic affairs of the Congo in opposition to the anti-Communist government of Katanga; and since the U.N., in its inconsistency, made no attempt to save the Portuguese colony of Goa from Indian aggression; and since the United States already pays more than one-third of the costs of the U.N., which is now in dire financial straits, we urge that the U.S. Congress reject the Democratic administration's proposal to buy U.N. bonds.

We favor the retention of the Connally reservation to U.S. membership in the world court, maintaining that it is the sovereign right of any nation to determine the nature of its own domestic concerns.

We reaffirm our belief in the cause of those peoples of Eastern Europe, Asia and Latin America who have been subjugated to the godless force of communism. We advocate the use of every peaceful and practical means toward regaining their independence from Communist domination. We favor the use of such instruments as U.N. observers whenever revolutions, such as that in Hungary during 1956, break out.

An overpopulation threat jeopardizes the stability of certain pro-Western countries. Therefore, we recommend that research data regarding this problem be given to friendly nations requesting it.

We advocate the strengthening of and continued participation in such collective security alliances as SEATO, NATO and CENTO.

We reaffirm our belief in and the defense of the Monroe Doctrine, and will oppose, with force if necessary, the undesired intrusion of any non-Western Hemisphere nation into the internal affairs of any American nation. To implement this, we support participation in the Organization of American States.

Since Fidel Castro and the government of Cuba is admittedly Communist, and since there is visual proof of the Communist jet and missile buildup in Cuba, and because the United States is the leader of the freedom-loving nations in the Western Hemisphere, we believe that the United States should actively support by all means—economic, political and/or military—the overthrow of that regime.

We unalterably oppose the admission to the United Nations or the diplomatic recognition of Red China. We recognize the government of Generalissimo Chiang Kai-shek as the only lawful government of the Chinese people. We emphatically deny that the American people accept or ever intend to accept the status quo in China.

We propose to meet any infringement of the sovereignty or freedom of West Berlin with military force and reaffirm our support for the reunification of Germany under a free, democratic government. We emphatically deny that the American people accept or ever intend to accept the status quo in Germany.

We believe that the United States should "knock down" the Berlin wall.

We hereby support all programs for counterguerrilla action in North Vietnam in order to defend Laos and South Vietnam.

In the war of words with the Communist empire, we advocate taking the offensive, using such Communist crimes as the downing of American fliers to their fullest American propaganda value, and exchanging verbal attack for verbal attack.

We call upon the Congress to submit a constitutional amendment to the States to protect the constitutional rights of the people and the sovereign States from abuses by treaties and other international agreements.

LABOR

We affirm that the Republican Party has fought for laws which would help labor unions become more representative and responsible institutions, and we feel that the Taft-Hartley and Landrum-Griffin Acts are a step in the direction of establishing labor-management on a sounder basis.

But we are of the opinion that further action is needed to protect American workers in their rights.

Therefore, we recommend that all union elections be conducted by secret ballot, and that free disclosure of union finances for the benefit of dues-paying members be required.

We demand protection of union members from any compulsory individual political assessments by the union. This does not include donations from the general fund voted upon in secret ballot by the membership.

We support the right of any individual to choose his own bargaining agent without compulsion by public law or private agreement to belong to any association in order to earn a living.

We favor the outlawing of all secondary boycotts and coercive blackmail picketing not covered by the Landrum-Griffin Act.

We believe that management should have the sole prerogative to lay off workers where technological advances make the workers unnecessary.

We favor the joint responsibility of labor and management to provide for the retraining of the individual worker.

NATIONAL DEFENSE AND INTERNAL SECURITY

It is not only appropriate that Americans assert their unswerving devotion to the cause of honor and liberty, but that they be prepared to rally to the defense of liberty in a world threatened by the ever-marching forces of Communist imperialism.

Since our mutual security alliances (such as SEATO, NATO, etc.) are the keystones to America's worldwide defense network, we advocate the intensified participation and contribution of the United States, both economically and militarily, in these mutual security alliances in order that those nations willing to defend the cause of freedom be given the means to do so. We advocate the divergence of U.S. funds from support of U.N. military activities to the task of beefing up the military power of those nations definitely committed to defending our mutual interests.

We assert that America must have a defense posture second to none. America must increase her military capability, both in conventional as well as nuclear weapons, in order that we may successfully wage brushfire wars as well as retain nuclear capacity to retaliate instantly and annihilate any potential aggressor anywhere on the face of the globe.

We believe that the testing and development of nuclear weapons is vital to the national security interests of the United States. We advocate taking all necessary steps toward maintaining America's nuclear superiority over the Communist bloc. We favor the immediate resumption of atmospheric testing. We call for America's continued exploration of outer space.

We very strongly commend the House Un-American Activities Committee, the Senate Internal Security Subcommittee and the Federal Bureau of Investigation for their vital work in exposing Communist infiltration and subversion of American institutions. We maintain that America's greatest bulwark against foreign tyranny and oppression is the love of individual liberty indelibly rooted in the hearts of the American people.

JOSEPH KENNEDY'S CHICAGO MART TO RAISE RENTS

Mr. DWORSHAK. Mr. President, in yesterday's Wall Street Journal there appeared an article under the heading "Joseph Kennedy's Chicago Mart To Raise Some Rents."

The article states, in part:

> The Merchandise Mart, owned by President Kennedy's father, is boosting some rents 3 percent to 5 percent on renewals of expiring leases.

I should like to inquire of the acting majority leader, the Senator from Minnesota [Mr. HUMPHREY], whether he has called this development to the attention of the Department of Justice for appropriate action.

Mr. HUMPHREY. Excuse me?

Mr. DWORSHAK. I should like to ask the acting majority leader whether he has called this development to the attention of the Department of Justice for appropriate action.

Mr. HUMPHREY. I say to my colleague from Idaho, most respectfully, I am sure both the President and the Attorney General, who are avid newspaper readers, have undoubtedly read that story and have made appropriate referral and comment.

Mr. DWORSHAK. They have not made any public statements yet, have they?

Mr. HUMPHREY. I say to my friend that the time will come—and I hope the Senator will tune in to the President's press conference. In case the Senator did not know it, there may be a few other places to rent space besides the Merchandise Mart.

Mr. DWORSHAK. Of course, this development has a profound effect upon inflation in the great city of Chicago. Knowing of the keen interest of the Department of Justice in taking remedial action, I certainly shall hopefully anticipate that something will be done.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DWORSHAK. I yield.

Mr. HUMPHREY. I am sure that every officer of this Government will read the Senator's words with great care and attention, and that all possible remedial action will be taken.

Mr. DWORSHAK. If they pay as little attention in the future as they have in the past, I can assure my good friend from Minnesota that no cognizance will be taken of the words, and no action, likewise.

RESOLUTIONS SET FORTH RESERVE OFFICERS ASSOCIATION VIEWS ON NATIONAL DEFENSE

Mr. YARBOROUGH. Mr. President, within recent days the Reserve Officers Association of the United States met in Washington, D.C., and considered various issues relating to national defense. Their findings I believe to be of considerable interest to the Congress.

The ROA has been in existence since 1922; its principal objective is "to support a military policy for the United States that will provide adequate national security and to promote the development and execution thereof." The contributions by ROA to the national defense have been so significant over the years that in 1950 the Congress issued a charter to the association, and today it remains as one of the outstanding, highly motivating patriotic organizations, with special knowledge, experience, and industry. We are aware that our congressional committees always welcome the views of ROA on matters relating to national defense, of which ROA's representatives have particular knowledge.

As national legislative chairman of the Reserve Officers Association, I believe the findings expressed in resolutions by the organization will be of assistance to Members of the Congress in considering legislation bearing on national defense.

I ask unanimous consent to have printed in the RECORD, a number of resolutions adopted at the midwinter conference in 1962 of the Reserve Officers Association.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS ADOPTED BY THE NATIONAL COUNCIL MIDWINTER MEETING, MARCH 2, 1962, WASHINGTON, D.C.

(Adopted by the national council and attested by John E. Harlin, national president and John J. Carlton, executive director)

STATEMENT OF POLICY

It is the policy of the national resolutions committee that in this critical hour in our country's history, when we are beset by enemies from without and cannot but observe their insidious boring from within, your resolutions committee feels it is time to weigh with infinite care and thoughtful consideration what expressions emanate from this annual meeting of the national council of this association. Let us bear in mind in all our deliberations that the objective of this association is, above all, the support for and provision of an adequate national security for these United States. Keeping this objective always before us, let us devote ourselves to those things which directly and undeniably contribute to the effectiveness of that security, and let us not permit considerations of personal interest, of minor annoyance, or of inconsequential merit, to divert us from the requisite devotion to the association's true and indeed sole objective.

Proposed by resolutions committee.

CONTINUED SUPPORT OF RESERVE COMPONENTS

Whereas there has become evident in recent months a tendency to downgrade and reduce the role and effectiveness of the Reserve Forces; and

Whereas despite our appreciation and strenuous support of the Regular components of our Armed Forces, the urgent necessity for whose continuance in strength and effectiveness we do not question, we still urge that such strength and effectiveness can and should be maintained without detriment to the strength and effectivness of the Reserve components: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That it urge upon the Congress the continued full-scale support of the Reserve components of the Armed Forces.

Proposed by department of Washington.

STABILIZATION OF THIS NATION'S MILITARY PROGRAMS

Whereas there have been during the past several years frequent fluctuations in strength, goals, programs and organizational policies in the military services, including the Reserve Forces; and

Whereas these developments have created uncertainties, instability, and consequent loss of effectiveness in the Nation's military structure; and

Whereas many of these proposed changes and reorganizations appear to ignore sound personnel policies, realistic military needs and sound principles of military leadership, where confidence, loyalty, and assurance of good faith produce highest morale, and hence maximum effectiveness; and

Whereas many of these fluctuating policies which allegedly have been designed to save money, in practice have proven to be extravagant and demonstrably wasteful, not only in money but in manpower, morale, facilities and equipment: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That it urge that steps be taken without delay by the Congress, the Department of Defense and the military services to stabilize the Nation's military programs, as to both Regulars and Reserves, as one of the essential requirements of a sound national defense policy.

Proposed by resolutions committee.

EXPENDITURE OF RESERVE FORCES TRAINING FUNDS

Whereas moneys appropriated by the Congress for the training of Reserve components of the Armed Forces have not always been expended in the amounts and for the purposes stated in the appropriations but have in some instances been withheld and in others reallocated by or under the authority of the Department of Defense for other purposes; and

Whereas funds appropriated by the Congress for the training of the Reserve Forces have been diverted to maintain the Regular military establishments by charging against said funds the cost of certain training facilities and equipment supplied by said establishments; and

Whereas the effect of nonexpenditure of the entire amount of such appropriated funds for the purposes specified in the congressional appropriations has been to reduce the training activities within the Reserve Forces and to weaken the said forces: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That every means be taken to correct such practices and that the association urge Congress to provide, by law:

1. That all of the funds appropriated for the Reserve Forces shall be expended for the purposes specified in such appropriations and for no other purpose;

2. That the military departments be expressly prohibited from making any charge against funds appropriated for the support of the Reserve Forces for use by the said forces of facilities of any kind or type that is in use in their training other than items procured for the exclusive use of the Reserve Forces or direct costs incurred in the utilization of these facilities by the Reserve Forces; and

3. That the authority of the Secretary of Defense to reallocate funds be restricted to deny him the power to expend, for other objects, any funds appropriated for the support and training of the Reserve Forces.

Proposed by department of California.

SUPPORT OF DOD CIVIL DEFENSE PROGRAM

Whereas the nations of the world are confronted with a nuclear war stalemate; and

Whereas to be credible our defense posture must insure the will and the ability to survive an aggressor's attack; and

Whereas the President of the United States has directed that the civil defense of our Nation be the responsibility of the Department of Defense: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That it support the Department of Defense in their program to conduct a national shelter survey.

Proposed by Navy affairs section.

RECALL DEFERMENTS

Whereas a trained, callable and answerable Reserve is an essential weapon in the stockpile of any nation seeking to exist without reliance on vast standing armies; and

Whereas to insure the training of this Reserve, the Congress of the United States has, upon the urging of the Reserve Officers Association and other dedicated groups, enacted over the years a vast body of preparedness legislation, including pay and retirement privileges for the personnel composing this Reserve; and

Whereas it is a basic principle that men and women so trained and so paid shall, at whatever personal sacrifice, stand ready to serve when exigencies dictate their call to active military duty; and

Whereas any failure to answer such call, or effort to evade it, casts grave doubt on the integrity and reliability of the Reserve for whose training the national has paid: Now, therefore, be it

Resolved, That each Member of Congress be made aware of this association's intolerance of anything but the firmest policy, both legislative and regulatory, in dealing with any efforts by Reserve personnel, their employers, their families or their representatives in Congress, to evade, in time of national crisis, the call to active service for which the Reserve has been organized, trained and paid in peacetime years.

Proposed by Navy affairs section.

OGLA EQUALIZATION

Whereas the Armed Forces are faced by a situation under the OGLA (Officer Grade Limitation Act) which results in seriously unequal career opportunity for active duty officers of the services; and

Whereas the Department of Defense has sponsored a review including this matter by an ad hoc committee to study and revise the Officer Personnel Act of 1947; and

Whereas the committee has made recommendations which would provide substantially equal career opportunities to all active duty officers of the military services; and

Whereas the Congress has recognized the need and desirability of legislation in this regard in the passage of temporary relief measures; and

Whereas, unless permanent legislation embodying the full tables of authorization recommended by the committee is passed in the next session of the Congress, the promotions of officers on active duty in the Armed Forces will be impeded or, in the case of Active Reserve officers, prevented after 1 July, 1962: Now, therefore, be it

Resolved, That the Reserve Officers Association recommends approval by the Department of Defense of the revised table of authorization in the report of the ad hoc committee, and that the Congress enact legislation to revise or replace the Officer Grade Limitation Act of 1954 as recommended by the committee.

Proposed by Air Force affairs section.

ALLOWANCES FOR ENLISTED PERSONNEL

Whereas the Reserve Officers Association of the United States is deeply concerned with the state of morale among the enlisted personnel in the Armed Forces; and

Whereas we are convinced that the present scale of pay and allowances for enlisted personnel with family responsibilities is such as often to cause actual privation to the family and to be a disturbing concern to the enlisted man concerned; and

Whereas a study of the pay and allowances of the Armed Forces has been ordered: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That the association commend and encourage this effort to establish an adequate and equitable scale of enlisted pay and allowances.

Proposed by department of California.

IMPLEMENTATION OF RESPONSIBILITY PAY

Whereas the Congress has enacted legislation authorizing a special pay for certain military personnel in positions of unusual responsibility, which special pay is known as responsibility pay; and

Whereas the retention of officers in certain specialties in some of the services is inadequate; and

Whereas proposals have been advanced for special pays for officer personnel in positions of various degrees of unusual responsibility or of a critical nature; and

Whereas it would appear unlikely that the Congress will give serious consideration to new pay proposals for positions of a critical nature until existing authority has been utilized and found inadequate: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That it recommend that the Department of Defense implement in the most practicable manner the authority contained in the Military Pay Act of 1958 to pay responsibility pay to officers in positions of unusual responsibility or of a critical nature.

Proposed by Air Force affairs section.

INCREASED TRAVEL ALLOWANCES FOR MILITARY MEMBERS

Whereas the Career Compensation Act of 1949, as amended, authorizes members of the uniformed services to receive a per diem, in lieu of subsistence, of not to exceed $12; and

Whereas recent studies by Government agencies have revealed that the total average cost of the subsistence items on which the per diem is based is well above $12; and

Whereas the Department of Defense has sponsored a proposal to increase the maximum per diem allowance to an amount equal to that enacted for civilian employees of Government; and

Whereas the House of Representatives has passed a bill, H.R. 7723, which would accomplish this object: Now, therefore, be it

Resolved, That the Reserve Officers Association recommend the enactment of this legislation.

Proposed by Air Force affairs section.

PRESS RELEASES AFFECTING UNITS ALERTED FOR MOBILIZATION

Whereas the immediate release of information to the press, by the Department of Defense, concerning the alerting of USAR units to extended active duty, has caused much embarrassment, confusion, and misunderstanding by all concerned, including the general public: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That the Department of Defense and the Department of the Army are petitioned to delay public release of all information concerning units, their designations, mobilization stations, and other pertinent facts affecting such units until such time as the Army, corps, and unit commanders have been informed.

Proposed by the Army affairs section.

DISABILITY RETIREMENT PROCEDURES

Whereas AR 40–501, December 1960, entitled "Standards of Medical Fitness," is now used by Army physical evaluation boards as the basis for evaluation of physical condition for physical disability retirements, and is proposed to be similarly used by the other armed services; and

Whereas in the manner in which it is being applied, the minimum requirements for disability retirement are separate and not cumulative, and no overall evaluation is considered to be disabling, even though a whole series of disabilities may be involved, so long as disability retirement is not achieved under one particular diagnosis; and

Whereas this procedure is contrary to the dictates of sound medical practice, under which a man's total physical condition must be considered in order to evaluate his capacity for military service; and

Whereas the effect of this procedure is not only to frustrate meritorious cases deserving disability retirement, but also to load the Army rolls with personnel arbitrarily removed from the normal MOS for which qualified, and thus to make inevitable their early separation by reason of assignment to sedentary tasks for which they are unfitted: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That it urge a critical review both of the provisions of AR 40–501, and of the manner in which they are being applied, with a view to the correction of inequities; and be it further

Resolved, That the Departments of Navy and Air Force be asked to refrain from adopting similar regulations in this area pending the review above suggested.

Proposed by committee on retirement.

MINIMUM ACTIVE ARMY STRENGTH

Whereas the President of the United States and other national leaders have indicated that the current cold war may last for a generation; and

Whereas our military stature must be based on long range needs: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That this association strongly support the continued maintenance of an Active Army of not less than 1 million officers and men.

Proposed by Army affairs section.

DELAYED EFFECTUATION OF PENDING ARMY RESERVE REORGANIZATION DURING STUDY THEREOF BY CONGRESS

Whereas the Secretary of Defense has announced a forthcoming drastic reorganization of the Army Reserve and the Army National Guard; and

Whereas this program was not prepared by the Army's General Staff Committees on Army Reserve Policy and Army National Guard Policy, as required by law; and

Whereas after complaint by the Chairman of the General Staff Committee on Army Reserve Policy, the Secretary of Defense belatedly presented this program to the General Staff Committees on Army Reserve and Army National Guard Policy, and set a 30-day deadline for final recommendations from these bodies; and

Whereas the House Armed Services Committee chairman, the Honorable CARL VINSON, has assigned to subcommittee No. 3, under the chairmanship of the Honorable F. EDWARD HÉBERT, of Louisiana, the task of a study of the Army Reserve program, which study cannot be completed for some months, and which study is clearly doomed to be abortive if the program announced by the Secretary of Defense is carried out without consultation with the Congress: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That we urge upon the Congress and upon the Secretary of Defense, that effectuation of any such plan of Reserve reorganization as announced be deferred until such time as the Armed Services Committees of Senate and House shall have examined that program, and shall have had an opportunity to exercise their constitutional authority thereon.

Proposed by resolutions committee.

RETENTION OF USAR DIVISIONS

Whereas the present crisis, necessitating a current buildup of military strength, has clearly demonstrated the need for organized, manned, trained and equipped USAR divisions and the dependence of our military posture on such USAR units; and

Whereas the elimination of any USAR divisions would significantly impair the combat effectiveness of our Nation's defense forces; and

Whereas a general mobilization or war would require an increase in the number of divisions available for deployment; and

Whereas the Department of the Army has indicated intentions to eliminate or reduce in stature a number of USAR divisions from the troop program: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That the Department of Defense and the Department of the Army be urged to abandon any plans for the reorganization or realinement of the Army Reserve component troop unit basis, which would reduce the number of USAR divisions available for the defense of this country; and be it further

Resolved, That the Department of Defense and Department of the Army be also urged to discard any plans for the reduction of any USAR division for deployment as command headquarters for nondivisional units.

Proposed by Army affairs section.

REQUEST THAT CALL TO ACTIVE DUTY NOT DETER ACTIONS FOR PROMOTION OF RESERVIST

Whereas message (unclassified) DA 576132, AGPR–AP, DA October 9, 1961, provides for officers assigned to USAR units alerted for active duty who have been considered by a Reserve Selection Board prior to the effective date of the order to active duty of the unit and have been recommended for promotion to fill unit vacancies will be promoted to the recommended grades and will enter on active duty with their units in such grades; and

Whereas above-mentioned message does not provide for recommendations for promotion of officers to fill unit vacancies on which selection board action has not been completed prior to the effective date of the order to active duty of the unit (in such cases, the officers concerned will be ordered to active duty in the grade in which serving on the effective date of the order to active duty of the unit): Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That action be taken to prevent penalizing the unit and nonunit officers who are eligible for recommendation for promotion and selection board action not completed and those officers who will become eligible for promotion while serving on active duty, to be eligible for consideration for promotion and selection.

Proposed by department of Indiana.

FLEET AUGMENTATION COMPONENT (SURFACE)

Whereas the current mobilization order eliminates the ASW component of the selected Reserve; and

Whereas by this action the fleet augmentation component will be deprived of the use of these ships in the active duty for training phase of their training. Fleet ships will have to provide these services. Experience has indicated that the availability of fleet ships is such that most of the training they provide takes place alongside the dock; and

Whereas the fleet augmentation component is the most important element of the selected Reserve in the event of an outbreak of hostilities. Active duty for training is the most important phase of their training for the maintenance of the skills they have acquired while on active duty; and

Whereas the group I ships of the selected Reserve are operational and have an excellent state of readiness in ASW. They are immediately available to the fleet with their reduced crews and can be made available promptly with their full crews: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That it be recommended to the Navy Department that the DD's of the group I ships be returned in their reduced status to the Naval Reserve program, or that similar ships be provided for use primarily for the training of the Naval Reserve.

Proposed by Navy affairs section.

INITIAL ASSIGNMENTS OF NEWLY COMMISSIONED OFFICERS TO SEA DUTY

Whereas the fleet augmentation component of the selected Reserve must provide qualified officers and men for the fleet without postmobilization training; and

Whereas only those officers who are professionally qualified as line officers are eligible for assignment to the fleet augmentation component; and

Whereas many young officers return from active duty without having been to sea and are consequently not eligible for assignment to the fleet augmentation component; and

Whereas the NROTC and ROC programs are specifically designed to meet the requirements of the Naval Reserve program: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That it urge the Chief of Naval Personnel to require all NROTC and ROC officers to perform their initial active duty assignments in ships of the fleet.

Proposed by Navy affairs section.

ADEQUATE MODERN AMPHIBIOUS SHIPS

Whereas many of our weaker, more distant, and less stable allies which are threatened with conquest through Communist-led guerrillas, insurgents and subversion are located in areas of the world where we have no fixed bases or adequate airfields; and

Whereas in those cases it is most necessary that our capability to wage conventional war be strengthened; and

Whereas the heaviest responsibility for carrying out U.S. policy in those limited war situations rests upon the U.S. fleet and its amphibious force; and

Whereas the Marine Corps and the U.S. Army have developed new and modern techniques in projecting power ashore which require newer, faster and especially equipped shipping to accommodate the vertical assault concept with its helicopters, special equipment and weapons: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That the U.S. Navy be provided sufficient additional funds to procure more and modern amphibious ships.

Proposed by Navy affairs section.

INCREASE U.S. SEALIFT CAPACITY

Whereas a nuclear stalemate will lead to great probability of localized aggression by Communist forces, of limited wars and of Communist fomented unrest in allied nations overseas, as in Laos and South Vietnam today; and

Whereas such limited military conflicts may suddenly erupt in any part of the world without warning; and

Whereas sealift in adequate volume is the prime necessity for the movement and support of limited war forces overseas, either of the United States or of our allies; and

Whereas it will become a race against time to quickly deploy relatively large numbers of troops and equipment to threatened areas overseas; and

Whereas it is necessary that we have in existence at the commencement of any war of whatever nature an adequate fleet of ships for the task of lifting troops and supplies to our farflung bases and allies overseas, without which support those bases and allies would be endangered; and

Whereas the Military Sea Transportation Service existing capability even when augmented by ships reactivated from the National Reserve Fleet and commercial sources does not suffice to meet military sealift requirements in certain critical categories of shipping; and

Whereas the Military Sea Transportation Service nuclear fleet ships are becoming progressively obsolescent because of insufficient funds appropriated for replacing outdated ships: Now, therefore, be it

Resolved by the Reserve Officers Association, That it urge the Department of Defense to give priority consideration to increasing the capability of the Military Sea Transportation Service to provide vitally needed sealift by the construction of modern, high speed transports.

Proposed by Navy affairs section.

SUPPORT OF NAVY'S OCEANOGRAPHY PROGRAM

Whereas we are largely devoid of scientific knowledge on underwater currents, temperature gradients, and bottom sediment of the oceans of the world; and

Whereas the advent of nuclear-powered submarines has made ASW even more complex; and

Whereas the oceans of the world may well become the battle area of the future: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That the association in national conference vigorously supports the Navy's plan to conduct increased activity in the field of oceanography.

Proposed by Navy affairs section.

AFRO-ASIAN OCEAN FLEET

Whereas international communism, as exemplified by aggression in Laos and South Vietnam, is threatening the very existence of the free and democratic nations of southeast Asia and east Africa; and

Whereas it is the demonstrated tactic of international communism to attack these smaller and weaker countries by political subversion, infiltration of arms, and fifth column elements leading to direct internal armed aggression by Communist forces; and

Whereas there is a very real need to effectively support our free world allies in the South East Asia Treaty Organization and the Control Treaty Organization; and

Whereas those weaker countries most directly threatened by Communist forces are readily accessible from the adjoining oceans; and

Whereas the eviction of the United States from oversea bases will greatly reduce our ability to quickly respond to aggression in the newly developed nations; and

Whereas this weakness can be effectively offset by a U.S. Navy task force operating in these ocean areas; and

Whereas a United States-Afro-Asian fleet would provide the capacity to intervene favorably for the protection of U.S. interests and support of friendly governments in this critical area of growing Communist infiltration: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That—

(a) A United States-Afro-Asian fleet be established as a means of carrying out U.S. national policy and preventing Communist conquests in that area; and

(b) That the U.S. Navy be provided sufficient additional funds to procure the ships, aircraft, personnel, and logistic support for an Afro-Asian fleet.

Proposed by Navy affairs section.

WOMEN ON SELECTION BOARDS

Whereas considerable discontent has been expressed by women officers of the Naval Reserve concerning the practice of allowing only one woman Reserve officer on selection boards; and

Whereas it would be desirable and more equitable to increase the number of women officers on selection boards which consider them for promotions: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That it request the Secretary of the Navy to increase to at least three the number of women Reserve Officers ordered to serve on Naval Reserve selection boards which consider women officers for selection for promotion.

Proposed by Navy affairs section.

ANNUAL APPROPRIATIONS, U.S. COAST GUARD

Whereas the current world situation has required a very positive increase in all military establishments, both regular and reserve; and

Whereas the mobilization requirement of the U.S. Coast Guard Reserve (USCGR) has been established by appropriate authority at 39,600 Ready Reserve; and

Whereas this condition of readiness is over 10,000 short of its goal, due solely to a shortage of appropriated funds; and

Whereas the continued rising cost of operating the USCGR has not been balanced by adequate appropriations: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That it urge the Secretary of Treasury to increase its Reserve training appropriations in sums adequate to build and sustain the USCGR program so as to meet the mobilization requirements of its Reserve and the Reserve Officers Association will support these additional requirements in the Congress.

Proposed by Navy affairs section.

FULL UTILIZATION OF AUTHORIZED RESERVE FUNDS

Whereas the Department of Defense has withheld, to date, authority to expend the $4 million appropriation provided by Congress for support of the Air Force Reserve recovery program for this fiscal year; and

Whereas the Department of Defense has undertaken a critical review of the Air Force Reserve recovery program, including the base support program, to determine whether there is a military requirement for the program; and

Whereas it is reported that part I positions in the Air Force Reserve may be discontinued in order to provide funds for support of the recovery and base support units: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That it fully supports the concept of the Air Force Reserve program, including the base support program; that approval by the Department of Defense for expenditure of appropriated funds to provide 48 paid drills annually for recovery units be urgently supported; and, that part I positions in the Air Force Reserve be maintained in sufficient numbers to support the war requirement of active units.

Proposed by Air Force affairs section.

PILOTS FOR RESERVE TROOP CARRIER WINGS

Whereas the requirement to maintain Ready Reserve flying units in being has been amply demonstrated by the recent order

to active duty of such units by the President of the United States; and

Whereas the requirement to maintain the Ready Reserve is further substantiated by the inclusion of this force in Air Force emergency war plans; and

Whereas the rated officers required to properly man those units have in the past been obtained as volunteers from rated Reserve officers released from active duty; and

Whereas the actual future potential of such volunteer rated officers is represented by the less than 1,400 second lieutenant rated officers on active duty in the Air Force in May 1961, which figure also includes Regular Air Force officers and career Reserve officers, a figure woefully inadequate to meet the attrition and promotion losses in the Ready Reserve program; and

Whereas the Air Force has, in the past, recognized the requirement for pilot manning in the other Ready Reserve Force element, the Air National Guard, by providing this force with a quota for training 1,000 pilots exclusively for assignment to that Ready Reserve Force: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That the Department of the Air Force immediately make provision for the future pilot manning of Air Force Reserve flying units on a basis commensurate with what has already been provided for the Air National Guard, the other Ready Reserve Force flying element.

Proposed by Air Force affairs section.

COMMENDATION OF LIEUTENANT COLONEL GLENN AND THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Whereas the orbital flight of Lt. Col. John H. Glenn, a Reserve officer now integrated into the regular establishment of the U.S. Marine Corps, has by the manner of its conduct and excellence of its performance brought great credit, not only to Colonel Glenn and all of his associates, but has also, with rare and dramatic simplicity, demonstrated to the whole world the vast vitality of the free world: Now, therefore, be it

Resolved, That the Reserve Officers Association formally voices to Colonel Glenn and to the National Aeronautics and Space Administration a sincere "well done."

Proposed by fourth dimensional warfare committee.

COMMENDING RESERVE COMPONENTS FOR EXCELLENT PERFORMANCE IN 1961 CALLUP

Whereas the national president and staff of this association on December 22, 1961, published a white paper relating to the callup of Army, Navy, and Air Force Reserves in the autumn of 1961; and

Whereas this white paper was produced and distributed with a view to clarifying in the public mind the character and performance of the Nation's reservists, and the vital importance of their services, and was a factual and fully documented report on morale and patriotic spirit in which this peacetime callup was accepted and carried out by members of the Reserve components of our Armed Forces: Now, therefore, be it

Resolved by the Reserve Officers Association of the United States, That it endorse and commend the content and design of the white paper issued by this association on December 22, 1961, and be it further

Resolved, That the Reserve Officers Association commend the prompt, spirited and competent performance of the units and individual members of the Reserve Forces of the Army, Navy and Air Force in their response to a considered call to active duty by the President of the United States as an effective and necessary means to preservation of the peace.

Proposed by resolutions committee.

FOREST PRODUCTS ARE AGRICULTURAL COMMODITIES

Mrs. NEUBERGER. Mr. President, H.R. 10788, which is on the Senate Calendar, is identical to S. 3006, reported by the Agriculture Committee on April 4. I should like to call the Senate's attention to the Senate Report on S. 3006 which contains a discussion of forest products as "agricultural commodities."

Mr. President, Oregon is an agricultural State and lumber is Oregon's principal agricultural product. Oregonians are naturally disturbed when, on occasion, the right of lumber to be regarded or treated as an agricultural commodity is challenged. Yet, the Department of Agriculture has never before put this challenge to rest.

I therefore took the opportunity during the Agriculture Committee's consideration of S. 3006, a bill to amend the Agricultural Act of 1956, to request the chairman to determine whether the phrase "any agricultural commodity or product manufactured therefrom" includes forest products.

I am most gratified to report that the General Counsel of the Department of Agriculture has concluded that forestry is a part of agriculture and that forest products are agricultural commodities.

This conclusion was the product of an exhaustive review of the historic use of the terms "agriculture" and "agricultural commodities," both in Congress and in the courts, to apply to forestry and forest products. The General Counsel's opinion represents the first definitive attempt by the Department to formulate a general rule for the treatment of forest products within the scope of legislation affecting agriculture, and should foreclose any future suggestion that the term "agriculture" or "agricultural product" does not include forest products.

The committee report of S. 3006 endorses the General Counsel's opinion, expressly recognizing that "the committee has generally considered lumber as a product of an agricultural commodity."

I ask unanimous consent to have the opinion of the General Counsel of the Department of Agriculture printed at this point in my remarks.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE,
OFFICE OF THE GENERAL COUNSEL,
Washington, D.C., April 4, 1962.

Hon. ALLEN J. ELLENDER,
Chairman, Senate Committee on Agriculture and Forestry.

DEAR SENATOR ELLENDER: Mr. Stanton, counsel for your committee, has informed us that in considering S. 3006, to amend section 204 of the Agricultural Act of 1956 (7 U.S.C. 1854), the question has been raised as to whether the phrase "any agricultural commodity or product manufactured therefrom" includes timber and its products.

Section 204 is as follows:

"The President may, whenever he determines such action appropriate, negotiate with representatives of foreign governments in an effort to obtain agreements limiting the export from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom or textiles or textile products, and the President is authorized to issue regulations governing the entry or withdrawal from warehouse of any such commodity, product, textiles, or textile products to carry out any such agreement. Nothing herein shall affect the authority provided under section 22 of the Agricultural Adjustment Act (of 1933) as amended (7 U.S.C. 1854)."

Although we have not had time to examine the legislative history of this provision exhaustively, our study thus far indicates that such history does not give clear evidence of the intention of the Congress in this respect. In examining this question, therefore, we believe we must first determine the meaning of this phrase as the words therein have been generally construed.

Webster's New International Dictionary, second edition, defines agriculture as "The art or science of cultivating the ground, and raising and harvesting crops, often including also feeding, breeding and management of livestock; tillage; husbandry; farming; in a broader sense, the science and art of the production of plants and animals useful to man, including to a variable extent the preparation of these products for man's use and their disposal by marketing or otherwise. In the broad use it includes farming, horticulture, forestry, dairying, sugarmaking, etc."

Court decisions have adopted the foregoing definition of "agriculture" in defining agricultural commodities and products. *United States* v. *Turner Turpentine Co.* (111 F. 2d 400 (5th Cir. 1940)) involved the issue of whether labor performed in the production of gum from oleoresin by scarification of living pine trees and its processing into gum spirits of turpentine and gum resin was "agricultural labor" as used in the Social Security Act. The Social Security Act of 1935, as it read before the 1939 amendments, was the law before the court in this case and the term "agricultural labor" was not defined. In holding that Congress intended the term to have a comprehensive meaning so as to include tree products, the court said at page 404:

"When then, Congress in passing an act like the Social Security Act uses, in laying down a broad general policy of exclusion, a term of as general import as 'agricultural labor,' it must be considered that it used the term in a sense and intended it to have a meaning wide enough and broad enough to cover and embrace agricultural labor of any and every kind, as that term is understood in the various sections of the United States where the act operates. This does not mean, of course, that a mere local custom, which is in the face of the meaning of a general term used in an act, may be read into the act to vary its terms. It does mean, however, that when a word or term intended to have general application in an activity as broad as agriculture, has a wide meaning, it must be interpreted broadly enough to embrace in it all the kinds and forms of agriculture practiced where it operates, that its generality reasonably extends to. Definitions of 'agriculture' in standard texts and treatises and in decisions in these latter years have had the widest content. Funk & Wagnalls defines 'agriculture' as including horticulture, fruit raising, etc., 'because agriculture is the science that treats of the cultivation of the soil.' Webster's Unabridged Dictionary, 1935, declares that in a broader sense agriculture includes farming, horticulture, forestry, dairying, sugarmaking, etc. The Encyclopedia Britannica, 14th edition, 'Forestry as a Science,' declares: 'the science underlying the growing of timber crops is therefore nothing but a branch of general plant science,' while the Cyclopedia of American Agriculture says of forests, 'if agriculture is the raising of products from the

land, then forestry is a part of agriculture' (vol. 2, p. 312). From the Encyclopedia Britannica article, on rosin production, we quote the following significant passage: 'The chief region of rosin production is the South Atlantic and Eastern Gulf States of the United States. American rosin is obtained from the turpentine of the swamp pine and of the loblolly pine. The main source of supply in Europe is the lands of the departments of Gironde and Landes in France, where the cluster pine is extensively cultivated.' An examination of the cases cited in 'Words and Phrases,' fifth series, volume 1, page 339 et seq., under agriculture and in 3 C.J.S., 'Agriculture,' pages 361, 365, and 366, section 1, under 'agricultural' and 'agriculture,' convinces that in modern usage this is a wide and comprehensive term and that statutes using it without qualification must be given an equally comprehensive meaning."

The *Turner Turpentine Co.* case was followed in *Stuart* v. *Kleck* (129 F. 2d 400 (9th Cir. 1942)), which also involved the definition of "agricultural labor" as used in the Social Security Act. In the following cases the courts adopted definitions of "products of the land," "agriculture," "agricultural purposes," "agricultural commodities," "agricultural products," or "agricultural labor," some as used in statutes, in the broad sense of things which are the result of husbandry and the cultivation of the soil (*Sancho* v. *Bowne*, 93 F. 2d 323 (1st Cir. 1937); *Lowe* v. *North Dakota Workman's Compensation Bureau*, 220 Wis. 701, 264 N.W. 837 (1936); *Forsythe* v. *Village of Cooksville*, 356 Ill. 289, 190 N.E. 421 (1934); In Re Rogers, 134 Neb. 832, 279 N.W. 800 (1938); *Getty* v. *C. R. Barnes Milling Co.*, 40 Kan. 281, 19 Pac. 617 (1888); *Florida Industrial Comm'n* v. *Growers Equipment Co.*, 152 Fla. 595, 12 So. 2d 889 (1943)).

Congress has recognized that the term "agricultural commodities" may include forest products. Section 207 of the Agricultural Marketing Act of 1946 (60 Stat. 1091; 7 U.S.C. 1626) defines "agricultural products" to include "agricultural, horticultural, viticultural, and dairy products, livestock and poultry, bees, forest products, fish and shellfish, and any products thereof, including processed and manufactured products, and any and all products raised or produced on farms and any processed and manufactured products thereof."

Section 518 of the Federal Crop Insurance Act (55 Stat. 256; amended, 7 U.S.C. 1518), defines "agricultural commodity" as "wheat, cotton, flax, corn, dry beans, oats, barley, rye, tobacco, rice, peanuts, soybeans, sugarbeets, sugarcane, timber and forests, potatoes and other vegetables, citrus and other fruits, tame hay."

Section 2 of the act of May 9, 1956 (70 Stat. 133; 12 U.S.C. 1841(g)), concerning bank holding companies, defines "agriculture" to include "farming in all its branches including fruitgrowing, dairying, the raising of livestock, bees, fur-bearing animals, or poultry, forestry or lumbering operations, and the production of naval stores, and operations directly related thereto."

Section 1 of the act of March 4, 1927 (44 Stat. 1423; as amended, 15 U.S.C. 431), concerning discrimination against farmers' cooperative associations by boards of trade, states that "agricultural products" "means agricultural, horticultural, viticultural, and dairy products, food products of livestock, the products of poultry and bee raising, the edible products of forestry, and any and all products raised or produced on farms and processed or manufactured products thereof, transported or intended to be transported in interstate and/or foreign commerce."

Section 3 of the Fair Labor Standards Act of 1938 (52 Stat. 1060; as amended, 29 U.S.C. 203(f)), defines "agriculture" to include "farming in all its branches and among other things includes the cultivation and tillage of the soil, dairying, the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities (including commodities defined as agricultural commodities in section 1141j(g) of title 12), the raising of livestock, bees, fur-bearing animals, or poultry, and any practices (including any forestry or lumbering operations) performed by a farmer or on a farm as an incident to or in conjunction with such farming operations, including preparation for market, delivery to storage or to market or to carriers for transportation to market."

The present social security tax law, now known as the Federal Unemployment Tax Act, has an extensive definition of "agricultural labor," which includes expressly only some forest products such as naval stores (68A Stat. 447; 26 U.S.C. 3306(k)).

As may be seen, some of the definitions, for the immediate purposes involved in the legislation, include forestry products only in part. However, we believe even in these instances, this serves as an indication that where the terms "agricultural commodities" or "products thereof" are used without qualification it is reasonable to include timber in the concept.

We believe that in the historical development of public attention to the timber resources of this Nation the concept has long been that the growing of trees and the work of forestation and reforestation is a part of agriculture. It also appears to be a necessary corollary that timber is an agricultural commodity and that lumber is a product of such commodity. We have found a number of instances both past and present where this concept is expressed. We will quote a few of these.

In an annual report of the Secretary of the Interior (Ethan Allen Hitchcock) in 1901 the following is stated: [1]

"The keynote of the administration of the forest reserves should be to increase the value of the reserves to the public and to perpetuate their forests by wise use * * *. Forestry, dealing as it does with a source of wealth produced by the soil, is properly an agricultural subject."

Gifford Pinchot, Chief of the Bureau of Forestry in the Department of Agriculture in 1902, in a statement before the Agricultural Committee of the House, declared:

"Forestry is a component part of agriculture. Every source of wealth grown from the soil is in the sphere of the Department of Agriculture; hence the forestwork rightly belongs to it. The production of timber is as naturally within the scope of the Department of Agriculture as is the production of field crops."

Secretary of Agriculture D. F. Houston, in a letter to the chairman of the Public Lands Committee of the Senate, June 24, 1918, stated:

"This Department is charged with the task of stimulating and improving the production of all forms of wealth grown from the soil. A forest is a crop and forestry is primarily a problem of production from the soil."

Secretary of Agriculture E. T. Meredith, in an annual report to the President dated November 15, 1921, stated:

"The Bureau of Crop Estimates secures information on the needs of stockmen and farmers for public and national forest ranges which aids the national forest administration, and collects also data on the products of farm woodlots which is of value in the development of farm forestry. In short, having largely exhausted the forest crop grown in advance, the problem now is to use more widely what remains and to grow other crops to meet our needs. That is to say, forestry is a distinctly agricultural business. The function of the Department as a whole includes efforts for the production of the most effective manufacture, distribution, and utilization of the products of both farm and forest for the benefit of the country at large."

President Franklin D. Roosevelt in a letter to the Joint Committee on Forestry of the Congress declared: [2]

"Forests are intimately tied into our whole social and economic life. They grow on more than one-third the land area of the continental United States. Wages from forest industries support 5 to 6 million people each year. Forests give us building materials and thousands of other things in everyday use. Forest lands furnish food and shelter for much of our remaining game, and healthful recreation for millions of our people. Forests help prevent erosion and floods. They conserve water and regulate its use for navigation, for power, for domestic use, and for irrigation. Woodlands occupy more acreage than any other crop on American farms, and help support 2½ million families.

"Our forest problem is essentially one of land use. It is a part of the broad problem of modern agriculture that is common to every part of the country. Forest lands total some 615 million acres."

In testifying in 1951 on S. 1149, a bill to reorganize the Department of Agriculture, Lyle F. Watts, Chief of the Forest Service, stated: [3]

"Forestry and grazing are agricultural functions: Trees and grass are crops. Like corn, wheat, and cotton they start from seed. They respond to the same kind of care given other crops. They are harvested—or at least they should be harvested—so that one crop follows another. Their culture is based on the biological sciences, which are chiefly and in many cases exclusively the concern of the Department of Agriculture. Insect and plant-disease control, genetics, soil science, and other agricultural sciences are as important to growing crops of trees and grass as they are to field crops.

* * * * *

"Forestry and grazing are inseparable parts of agriculture. It takes the same know-how to grow timber in the farmer's woods as it does in forests owned by anyone else. Farm woodlands are indispensable to the Nation's timber supply. Farmers own one-third of all our commercial forest land—139 million acres.

"Turning it around, woodlands are indispensable to the farmer. Forest lands make up half the total farm acreage in New England and about 40 percent of all farm acreage in the South. Forest products provide farmers in many regions with a valuable source of cash income. When forest land is properly managed, the timber harvest can be as regular and dependable as any other crop.

"Farm forestry is an integral part of the Department's farm program. Farmers look to the Department of Agriculture for help on farm forestry just as they do in animal husbandry, fruitgrowing, or other crop problems. The small nonfarm forest properties of 125 million acres, almost as extensive as the farm forests and often intermingled with them, face exactly the same problems and should be served by the same agency.

* * * * *

"Nor can any sharp line be drawn between forestry and grazing. In much of the South

[1] Some of the following quotations have been derived from a collected document which is authentic. Time has not permitted review of the original sources.

[2] Mar. 14, 1938, Report of the Joint Committee on Forestry, S. Doc. 32, 77th Cong., 1st sess.

[3] Hearings before the Committee on Expenditures in the Executive Departments, U.S. Senate, 82d Cong., 1st sess., p. 442.

and West the same land is used to grow both trees and grass. Thus all such lands are interrelated parts of the Nation's agricultural enterprise.

"And from the watershed angle, forest and grazing lands are inseparably linked with field-crop lands. In every watershed, we must have a unified approach covering all lands to effectively control erosion, floods, and water supply. Soil conservation and watershed management are agriculture, and the Department of Agriculture, under the Flood Control Act of 1936, is responsible for watershed surveys on all lands. Within the Department, the Forest Service and the Soil Conservation Service work together closely to reduce damage from floods and sedimentation on forest, grazing, and other crop lands.

"Adding it all up, any way you look at it, the answer is the same: Forestry and grazing are agriculture."

It is, therefore, our opinion that forestry is a part of agriculture and that timber is an agricultural commodity. It follows, therefore, that the products thereof, such as lumber, are products within the definition in section 204. We have attempted to analyze the problem from the standpoint of general precedent and authority. If the foregoing analysis is not consistent with the present intent and purposes of the Congress, you may wish to reexamine the question for greater clarification.

Sincerely yours,

JOHN C. BAGWELL,
General Counsel.

COMMENDATION ON PASSAGE OF EDUCATIONAL TELEVISION BILL, S. 205

Mrs. NEUBERGER. Mr. President, I am indeed pleased that at long last the Federal Government has moved ahead to assist in the development of educational television. Both in the 85th and 86th Congresses under the leadership of the distinguished chairman of the Senate Commerce Committee, the Senator from Washington [Mr. MAGNUSON], the Senate passed a Federal aid to educational television bill. This desirable legislation has now been approved by the Congress and is awaiting Presidential approval.

Educational television promises the most fundamental advance in educational methods since the invention of the printing press 500 years ago. There is today a serious educational gap, and educational television can do much to alleviate this problem.

In 1952 the Federal Communications Commission set aside 242 assignments for noncommercial television use. By 1961 the number of reserved educational television channels had increased to 268. Ten years have passed since the FCC reserved educational channels, and in that period only 62 educational stations have come on the air.

Oregon has pioneered in educational television with two educational stations. KOAC–TV at Corvallis commenced broadcasting in October 1957, and KOAP–TV in Portland commenced programing January 30, 1961.

While my State has accomplished a great deal in this field much remains to be done. Mr. President, I ask unanimous consent to have printed at this point in my remarks a letter from Dr. Leon P. Minear, superintendent of public instruction for the State of Oregon, outlining the important needs of educational television in Oregon and the benefits which S. 205 offers.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF OREGON,
STATE BOARD OF EDUCATION,
Salem, Oreg., May 31, 1961.

Hon. MAURINE NEUBERGER,
Senate Office Building,
Washington, D.C.:

The Oregon State Department of Education is interested in the passage of Senate bill 205. After a decade of developments in the field of educational television, the schoolchildren of this State are not yet being provided with any widespread access to this new communication medium. As yet, there has not been a single educational television channel activated in this State by a local school district or combination of school districts, by a local community organization or association of private schools or colleges, or by any other combination of educational and cultural interests. The only access to educational television, and especially in-school viewing of planned educational broadcasts, has been provided in 1957 to a limited area of western Oregon by KOAC–TV, channel 7, Corvallis, and since January 1961 by KOAP–TV, channel 10, Portland, both stations being operated as an educational television network by the General Extension Division of the Oregon State System of Higher Education. So far as programs for in-school viewing for elementary and secondary schools of the State are concerned, the nearly 400,000 Oregon schoolchildren have had only 2 hours per week of programing during the past year and almost nothing prior to that time.

Lest this seem a reflection upon the concern of Oregon citizens for their children's educational opportunities, it should be pointed out that there has been no dearth of interest in educational television on the part of many groups both in professional education and among lay people. The simple truth is that Oregon's pattern of population distribution and geographical conformation does not now and will not in the foreseeable future provide the concentrated density which can afford educational television facilities on the basis of local areas. For example, outside of the Portland area there is not a single metropolitan region which can boast of more than 100,000 persons and not a single incorporated city of more than 60,000. The largest of these—Eugene and Salem—count their populations somewhere in the 40,000's. Thus, it is not within the realm of possibility for these limited population complexes, whether they work through local school districts, other official agencies, or voluntary organizations representing cultural groups of the community, to support educational television facilities. The school districts of each of these areas have an attendance of less than 13,000 pupils daily, which indicates how frail the base is for local educational television installation.

Only the Portland School District of Multnomah County with its approximately 75,000-pupil enrollment could hope to do so, and then apparently only with some outside assistance.

For the rest of Oregon, the population is widely distributed and Oregon's elementary and secondary school pupils are to be found in numerous small cities, towns, villages, and the rural countryside. In eastern Oregon particularly, there are many sparsely settled and somewhat inaccessible regions for which there is no present prospect to provide educational television opportunities through local action.

It is the considered opinion of the Oregon State Department of Educati n that not only the best, but the only avenue for providing educational television for inschool viewing programs is through strengthening and extending the educational television network now operated by the State system of higher education. This network as it now exists, comprising stations in Corvallis and Portland tied together with a microwave relay, is able to reach approximately 70 percent of the people of Oregon. However, for reasonable effectiveness it needs funds such as Senate bill 205 provides for extensive improvement of broadcasting installations and equipment. Chief among these are the relocation of channel 7 transmission facilities on Mary's Peak at Corvallis in order to vastly increase the range and power, and the construction of a broadcast studio in Portland where at the present time there are no studio facilities.

Also, funds from Senate bill 205 would permit the installation of a series of microwave relays connecting with satellite stations or translators which could extend the present network into corners of the State not now reached, including all of eastern Oregon. These pockets of population which need to be reached in order to create a complete State network include northern and southern regions of the coast, southern Oregon, and the several population concentrations of Oregon east of the mountains. This situation, of course, is a direct result of our population distribution and geographic problems. Once these facilities are installed, it would be entirely feasible for local communities, school districts, and cultural agencies to combine in providing the operating funds which, when utilized through the one network, could support a very rich educational program with a number of strategically located studios permitting regionally if not locally originated programs, and bring the benefits of cooperatively created effort as well as stimulating instructional and enrichment materials to school districts and localities of all sizes.

Therefore, the educational television network in Oregon, extended as indicated through the assistance of funds provided by Senate bill 205, becomes the key to providing educational television opportunities both for adult education and cultural needs and for daytime inschool viewing by the elementary and secondary school children.

In addition, funds made available by Senate bill 205 for closed-circuit installations could be provided to a number of larger school districts which are ready to utilize this kind of ETV for improvement of instruction and in-service education for teachers within their own district boundaries. Experimentation is indicating the values of closed-circuit ETV to medium-sized school districts for accomplishing some educational goals now beyond their grasp. No Oregon school district at the present time has installed closed-circuit television, but many school districts are interested—costs being the dampering factor. Assistance through this bill would undoubtedly bring many such installations into operation and provide the opportunity to utilize and extend a number of new methods and media of instruction in Oregon public schools.

The evidence now is that it will take substantial funds to place this program into operation. The department hopes that the time will not be unduly delayed when this can be realized. The State of Oregon has already contributed what it has felt it could to the development of educational television in this State. The additional funds through Senate bill 205 would make constructive use of educational television in Oregon a reality.

LEON P. MINEAR,
Superintendent of Public Instruction.

Mrs. NEUBERGER. Mr. President, the compromise worked out by Senate and House conferees is a good one—$32

million is made available for assistance to educational television, with up to $1 million available for each State. The matching fund requirement as provided for in the House version is retained, but the Senate provision for assistance to nonprofit organizations operating educational television stations is retained.

PASSING OF JOHN BUDD LONG, AMERICAN NEWSPAPERMAN

Mr. KUCHEL. Mr. President, the free press of California—indeed, the free press of America—lost a devoted servant last month. John B. Long, the secretary-manager of the California Newspaper Publishers Association, came to the end of a very long, active, and vigorous life in my State. For over a third of a century John Long represented the newspapers of California before the State legislature, the executive branch of the State government, and before bodies, public and private, all over our State and Nation.

John Long devoted his life to the people's "right to know." That was his creed. That was his motto. He gave of himself to the free press without stint, and with great courage. As a boy, I worked on the country newspaper of my late beloved father. I remember first meeting John Long in the 1920's, when he would call on my father. Later on, after I finished college and law school, I became a member of the legislature. I remember the indefatigable devotion to duty which John Long constantly displayed in carrying the banner of the free press in his appearance before appropriate legislative committees. I remember and I cherish his friendship.

After the war I saw him from time to time when I was first a member of the State government and later a U.S. Senator. Like all his friends, I enjoyed his company, his wit, his drive, his humor.

Along with the rich and poor, high and low, big and little, who knew him and his undeviating record of constructive accomplishment, I grieve at his passing, and send heartfelt condolences to his family which survives.

On the occasion of John's funeral, a moving eulogy was given by Mr. Carroll W. Parcher, publisher of the Glendale (Calif.) News Press and John Long's dear friend. I ask unanimous consent that an article containing a eulogy entitled "Death of 'Johnny' Long Saddens Newspaperdom," published in the California Publisher, April 1962, be printed at this point in the RECORD.

There being no objection, the eulogy was ordered to be printed in the RECORD, as follows:

DEATH OF "JOHNNY" LONG SADDENS NEWSPAPERDOM

The renown "Little Giant" of California newspaperdom is dead.

John Budd Long, whose sole interest in life was the advancement of his beloved newspaper fraternity, has passed into the Great Beyond—and a veritable army of publishers, editors, friends and associates through the length and breadth of California were stunned.

"Johnny," whose exploits in behalf of newspaperdom during his 34 years as the general manager of the California Newspaper Publishers Association had become legendary, died in his sleep at his San Marino home during the night of March 15.

"Johnny" as he was affectionately known to tens of thousands of Californians, ranging from Governors, editors and publishers of the great dailies, down to attachés of the smallest weekly, was buried with simple, but impressive services at the Church of the Recessional in the Forest Lawn Memorial Park, Glendale.

The services for "Johnny" who had retired barely a month earlier, were attended by almost 300 persons—the officers and past officers of the CNPA, leaders of the newspaper industry, from the metropolitan areas to the remote towns in the hinterland, leaders of business, industry, the sciences, labor, leaders of government, plus many friends of another day.

The eulogy, which properly extolled the many accomplishments of the champion of the people's "right to know," the "little merchant" and the founder of National Newspaper Week, was delivered, quite eloquently, by Carroll W. Parcher, publisher of the Glendale News-Press, a former president of CNPA, and a close friend and confidant of many years standing.

Hundreds of floral tributes banked the church as the formal services were conducted by the Reverend James Whitcomb Brougher, Jr., pastor of the First Baptist Church of Glendale.

Tributes came from many of the men high in government and industry—from Chief Justice Earl Warren, from Senator Thomas Kuchel, State Senator Hugh M. Burns, and Gov. Edmund G. Brown, to mention but a few.

In Sacramento, the assembly and the senate, where "Johnny" was a familiar figure, adopted laudatory resolutions and adjourned in memory of Mr. Long.

CNPA President Ralph H. Turner, Temple City Times, expressed the sentiment of the publishers of California, when he declared:

"Our hearts are full of sorrow by the passing of our beloved John B. Long.

"The newspaper industry in California and generally has lost one of the most dedicated men in the profession.

"He was a tireless worker in the defense of newsmen and in the advancement of the profession generally.

"His death is a tragic loss to all of us."

Mr. Long leaves his widow, Berthe Long, the "mommy," whom—no matter where he was or what he was doing he would go to his hotel room at a certain hour every day to telephone Mrs. Long, to whom his devotion was complete.

Long also leaves a son, Dair Long, a naval architect who has won fame in his own right as the designer of the powerful P–T boats of World War II. A sister, Hazel G. Long, of San Marino, also survives.

But John Budd Long himself had never failed to point out that he was the "hired man" of California's newspapers. And therein lies one of his greatest strengths. That, and the fact that he was frankly and openly in love with all of California's newspapers.

Born in Iowa some 68 years ago, educated at Denison University in Ohio (which honored him as one of its most distinguished alumni), and tempered in the forge of World War I—in which he won a battlefield commission—"Johnny" Long has been away from newspapers seldom and briefly during his life.

John Budd Long was "tapped" by the late Harry Webster, San Bernardino Sun-Telegram, to become executive secretary of the then Southern California Editorial Association.

Subsequently, under his guidance, the organization became statewide, and grew into the California Newspaper Publishers Association. He became the general manager, and the CNPA now boasts a membership of almost 600 daily and weekly newspapers in every section of California.

JOHN BUDD LONG—1894–1962

(NOTE.—The eulogy in honor of John Budd Long, printed herewith, was delivered by Carroll W. Parcher, a friend and confidant.)

The star that swung low last Thursday night, March 15, to lift Johnny Long from the life he had lived in fullest measure carried away on its beams one of the most remarkable men it ever has been the privilege of most of us in this church to know.

John Budd Long came to California 34 years ago, when he was 33, perhaps as one answer to California's call for "men to match her mountains." Not in physical stature, perhaps, did this little giant of journalism match the mountains of which he became so fond.

But, in courage, in devotion, in loyalty, in love and in his great heart which encompassed all these attributes, he was as the highest peak of the Sierra.

Loyalty and love—probably these are the terms that come quickest to mind when friends talk of Johnny Long, a man who became a legend in his own time and who, in everything he did, demonstrated loyalty and love.

His fiercest loyalty—and his tenderest love, next to that he held for his God and his family—was to the newspapers and the newspaper men and women in his State and in the Nation.

All of his adult life was devoted to newspapers—a major portion of it to California newspapers. For it was here, in 1928, that John Long came to take over the management of the somewhat less than sturdy Southern California Editorial Association.

Before that, dating back to the time he had started a neighborhood weekly as a boy and going on through the time he became editor and publisher of the weekly Council Bluffs Enterprise in Iowa following his graduation from Denison University, and then a staff member of the Des Moines Register and Tribune, and then city editor of the Omaha Bee, he had been a newspaperman.

But, it was here that he labored mightily, and successfully to weld the newspapers, large and small, in both ends of his adopted State, into the great California Newspaper Publishers Association. It was here that he conceived the plan of a National Newspaper Week, which he lived to see brought to the status of a truly national event.

The association from which John retired as general manager only last month, stands, with its nearly 600 members, as a living monument to his energy, his tenacity, his determination, and to his loyalty and his love. John Budd Long, always the perfectionist, always the "old city editor," as he liked to call himself, neatly wrapped up his life story before the final edition.

His great heart assailed by recurring strictures, his eyesight faded to the point that he recognized friends and associates by the tone of a familiar voice or the warm clasp of a friendly hand rather than by vision, he determined last year that the time had come to turn over the affairs of his beloved association to other hands.

Retirement is never easy—not when a man devotes himself wholeheartedly to a job over most of a lifetime. It was doubly hard for Johnny Long, whose whole life was in his work and who said a good many times, perhaps prophetically, that when his work was over his life would be over, too.

But, having determined the necessity of bringing the story to a close, Johnny set about preparing the final paragraphs with characteristic neatness and dispatch.

He arranged that at his passing his retirement income would go to his wife, Berthe, the mamma of whom he spoke so affectionately and whose welfare and comfort were always in his mind. He spent extra time with his assistants, getting the business affairs of the association in good order. And he prepared a final general manager's re-

port for presentation to the annual convention of the CNPA in Coronado last month—a report which he announced with pride was "the best report I have ever made to this association."

Then John Long retired to his San Marino home, surrounded by the flowers whose fragrance he loved but whose beauty he could no longer see. He was surrounded, too, by the memories of an active and intensely interesting life—memories which he hoped to put into book form.

The great heart gave out, finally, before the book could be written. But in his comparatively few days of attempting to adjust activity into inactivity, work into rest, Johnny had the sweet sounds of his friends' sincere praise and fervent good wishes ringing in his ears.

As more tangible evidence of their regard he had plaques and scrolls and letters and telegrams, all attesting to the high regard in which he was held by men in high places and those in less exalted positions. By newspaper editors and publishers of the largest dailies and the smallest weeklies in the State and Nation.

Johnny Long, thank God, lived to savor the sweet aroma of the flowers which all too often are proffered too late to be enjoyed.

As do all of us, if we are honest enough to admit it, Johnny was pleased at the good reports of his friends. And he never hesitated to convey his appreciation. In his last letter, dictated to his secretary in Sacramento but sent out unsigned to the past presidents of the CNPA, Johnny wrote:

"I have no facility for writing flowery, fancy-pants letters like the one in my portfolio bearing your name. But give me time. I just ordered some new letterheads and I am now searching for a stenographer in San Marino—then you will really be hearing from me. I couldn't think of any nicer tribute than to have so many past presidents at my party."

He was particularly gracious in his appreciation of a column I wrote at his retirement and which read, in part:

"Things aren't going to be quite the same in the long corridors of the State Capitol in Sacramento, which knew the patient tread of his feet. Nor in the legislative committee hearing rooms, which echoed to his ringing denunciations of any attempt to subvert freedom of speech or of the press. Nor in countless newspaper offices in the big cities and little towns up and down the State where his warm personality and intense interest made him a welcome visitor. Nor in numberless bistros in the same big cities and little towns where his conviviality was legend.

"Because John Budd Long, for the past 34 years the energetic and effective general manager of the California Newspaper Publishers Association, has retired.

"As is the pleasant custom when a popular figure in any field retires, resolutions are being adopted and plaques are being prepared and gifts presented and luncheons are being given in honor of Johnny Long. One of the luncheons was held by the Advertising Club of Los Angeles, members of which have adopted as a theme, 'The House That John Built.'

"It's quite a house they will have to talk about, too. A house built upon the firm foundation of an abiding belief in the first amendment to the Constitution. A house big enough and sturdy enough to hold the representatives of nearly 600 newspapers throughout the State, with widely divergent interests and viewpoints. A house whose doors were open to all men of good will, no matter what their party or their creed or their color.

"A newspaperman by training, experience and temperament, Johnny first welded the newspapermen of the entire State into an effective organization and then led their battles to maintain a free press worthy of a free people. He battled with the weapons of logic and justice and without regard to partisanship. His friends in the State legislature and in city councils and boards of supervisors and school boards were Democrats and Republicans, conservatives and liberals, righteous and unrighteous.

"But he strove mightily, and usually successfully, to bring them to see the light as he saw it. Which was to say as it affected his beloved newspapers and their readers.

"I have had the good fortune to know Johnny Long during all the years he has devoted to newspapers and those who make them their life work. I have seen him become a national figure in his chosen field. I have worked, played, traveled and, upon occasion, quaffed a beverage with him. So I know whereof I speak.

"John Budd Long is a great man, the kind that passes our way only occasionally."

The legends that will be told of John Budd Long in the years to come—wherever newspapermen and lawmakers gather—will be legion. But they will never surpass the reality of the man who inspired them—truly a great man.

WARSAW GHETTO DAY

Mr. JAVITS. Mr. President, the 19th of April marks the anniversary of Warsaw Ghetto Day, which, on April 19, 1943, held up to the world a mirror of the heroism of oppressed, downtrodden and ground-under-the-heel minority of inhabitants of Warsaw, and also a mirror to the world, in a most dramatic way, of the terrible moral wrong which had been inflicted upon all of mankind by the Nazis in the incredible slaughter of 6 million Jews in Europe in connection with the Nazi holocaust beginning in 1933.

Every anniversary of this character is a cause for contemplation of our own hearts as to whether we are doing enough to prevent the world from again undergoing this terrible trial in winning the world's struggle for freedom, and to get a new inspiration, in the heroism of these heroes of freedom, to continue on with the struggle which is critical to the survival and life and moral future of mankind.

To signalize the occasion, Governor Rockefeller has declared April 19, 1962, as Warsaw Ghetto Day for the State of New York.

I ask unanimous consent that the proclamation may be made a part of my remarks.

There being no objection, the proclamation was ordered to be printed in the RECORD, as follows:

WARSAW GHETTO DAY

On April 19, 1943, the world witnessed a scene of incredible valor in the revolt of the Jewish inhabitants of the Warsaw Ghetto. Hopelessly outnumbered from the start, knowing they would fail and without modern arms, they rose in rebellion against the might of the Nazi military war machine.

Faith and spirit were greater than material things, for at first their hopeless rebellion was successful. With the bravery of desperation they threw back the first attack of the storm troopers who had been sent to liquidate them. It took the full fury of the then irresistible German Army to crush them.

These unforgettable patriots fought to death as martyrs in the cause of freedom. On this day we honor them as God-fearing men and women who preferred to die fighting rather than to live on bended knees in humiliation and slavery.

Now, therefore, I, Nelson A. Rockefeller, Governor of the State of New York, do hereby proclaim April 19, 1962, as Warsaw Ghetto Day in New York State.

Given under my hand and the privy seal of the State at the capitol in the city of Albany this 29th day of March 1962.

By the Governor:

NELSON A. ROCKEFELLER.
WILLIAM J. RONAN,
Secretary to the Governor.

EXECUTIVE SESSION

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. KEATING, from the Committee on Commerce:

J. Herbert Hollomon, of New York, to be an Assistant Secretary of Commerce.

By Mr. MAGNUSON, from the Committee on Commerce:

Jalmer O. Brown, and sundry other persons, for appointment to the U.S. Coast Guard.

The PRESIDING OFFICER. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

U.S. MINT

The legislative clerk read the nomination of Earl F. Haffey to be Assayer of the Mint of the United States at Denver, Colo.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

MISSISSIPPI RIVER COMMISSION

The legislative clerk read the nomination of Brig. Gen. Ellsworth Ingalls Davis to be a member and president of the Mississippi River Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

LEGISLATIVE SESSION

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

TRIBUTE TO SENATOR CARLSON

Mr. HUMPHREY. Mr. President, I notice in the Chamber the distinguished

Senator from Kansas [Mr. CARLSON]. I wish to take this opportunity to express a word of commendation and appreciation to him on the splendid message he placed in the RECORD yesterday, along with his own comments. I refer particularly to the speech the Senator made to the League of Women Voters and other organizations at Topeka, Kans., on April 11, on the subject of our international trade.

I believe the speech demonstrates the bipartisan support that the subject of our foreign trade has brought about. As a Member of the Senate on this side of the aisle, the Democratic side, I wish to express thanks to the Senator for his fine statement.

Mr. CARLSON. Mr. President, I appreciate very much the remarks of the distinguished acting majority leader. He has referred to a very interesting meeting in which I had the pleasure of participating. Present at the meeting and participating also in the program, which dealt with the subject of international trade, particularly with the Common Market, was the president of the State farm bureau, the president of the State farmers union, the master of the State grange, a vice president of AFL–CIO, the president of the League of Women Voters, the director for a six-State Midwest area for the U.S. Chamber of Commerce, and the president of the State chamber of commerce. They all participated in the program, thus proving the great importance of this program.

I thank the Senator from Minnesota.

Mr. HUMPHREY. I thank the Senator from Kansas. I was particularly impressed by the Senator's remarks on the impact of foreign trade upon agricultural exports, which, of course, mean a great deal to us in the Midwest. I wish every Senator could express himself on the subject of international trade, because we will need a broad community of understanding of the subject.

AFRICA FREEDOM DAY

Mr. HUMPHREY. Mr. President, festivities marking the fourth annual observance of Africa Freedom Day will take place in many parts of the world on or about April 15. This decision, to designate April 15 of each year as African Freedom Day, was made at the first conference of African independent States at Accra, Ghana, in April of 1958. Then many of the now independent nations of Africa still remained under the control of colonial powers. Since that time, however, events on the continent have rapidly outdistanced the expectations of many of the African states.

Since the last Africa Freedom Day alone, events in Africa have moved briskly forward and some new states have entered the family of nations: Tanganyika and Sierra Leone have been granted independence from Great Britain, France has reached an amicable settlement with the Algerian nationalists, which augurs well for continued friendly cooperation between her and an independent Algeria; the British territories of Uganda and Kenya have moved steadily on the road to independence, the former recently receiving internal self-government with independence promised for October this year, and the latter soon to embark upon self-government with independence not far away; progress in the Belgian trust territory of Ruanda-Urundi in Central Africa indicates that this territory will soon emerge as either one or two independent states before the next Africa Freedom Day takes place.

The areas of Africa still under colonial control, however, present far greater problems than have already been experienced.

In mineral-rich northern Rhodesia, Africans have recently managed to extract more favorable franchise conditions than before. In southern Rhodesia, however, settlers retain a tight hold on the destiny of all inhabitants. Even so, South Africa's policy of apartheid surpasses in severity any measures taken by the colonial regimes in central Africa. There, race relations are so tense that the government has just increased defense spending—for internal use—five times more than in the previous year. Only the pressure of world opinion could prevent tragic bloodshed.

Africa Freedom Day is thus both a celebration and a protest. In New York, a rally will be held with Kenneth Kaunda of northern Rhodesia, Oliver Tambo of South Africa, A. Chanderli, of Algeria, and Eduordo Mondlane, of Mozambique. The theme of this meeting will be: "Freedom for Southern Africa." In keeping with our traditions, the sponsors of the observance, the American Committee on Africa, urges all Americans of good will to support the struggle for political freedom, civil liberties, and nonracial democracy throughout Africa.

ADDRESS BY ADM. ARLEIGH BURKE

Mr. MUNDT. Mr. President, last night in Washington's historic Constitution Hall, Adm. Arleigh Burke delivered a memorable and highly significant address to the 71st Continental Congress of the National Society of the Daughters of the American Revolution. It is an address which every alert American should study carefully and ponder thoughtfully.

Admiral Burke in this patriotic presentation raises some fundamental questions about our American foreign policy and the utilization of our American resources in the cold war. He calls attention to some basic weaknesses in our prevailing policy approach. He argues for abandonment of programs and policies which are designed simply to defer disaster and challenges our country to adopt policies and programs designed to win the controversy rather than simply to postpone the day of judgment.

Proudly calling attention to the power which this Republic presently possesses, Admiral Burke suggests we lead from strength and that we advocate actions we are equipped to implement rather than to hide our light under a bushel and fearfully fail to exercise the world leadership we are prepared to demonstrate.

Pulling no punches in his courageous address, Admiral Burke particularizes the problem which we confront, identifies imperialistic communism as the source of our troubles, and proposes that we develop policies and programs designed to solve the problem rather than to dissipate our American resources by simply relying upon the expenditure of more money without having clearly in mind how such expenditures will specifically strengthen our position, weaken the Communist conspiracy, and harness our present and potential power in a successful effort to lead the world into a new era of progress free from the specter of encroaching communism.

I seriously recommend that all leaders of public opinion, all officials of Government, and all citizens concerned about changing a no-win policy into one assuring victory for the concepts of freedom read Admiral Burke's brilliant address and then dedicate themselves to revising and revamping our foreign policies and our defense activities toward the attainable goals set out in his thoughtful and refreshing presentation.

I ask unanimous consent that the entire text of Admiral Burke's address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY ADM. ARLEIGH BURKE, U.S. NAVY (RETIRED) TO THE 71ST CONTINENTAL CONGRESS OF THE NATIONAL SOCIETY, DAUGHTERS OF THE AMERICAN REVOLUTION, CONSTITUTION HALL, WASHINGTON, D.C., APRIL 16, 1962

President general and distinguished ladies, before I joined the Navy many years ago, one assumption was that a sailor had "a girl in every port." This never happened to me—but looking around me now, I feel I have found compensation at least.

There is every reason why the opportunity of talking to you is more than just a passing one for me. Too many people, these days, appear to have become embarrassed about patriotism. Some of our citizens scoff at and heckle the patriot who adheres to the principles, the dedication, the sense of honor and integrity which made this wonderful country of ours the leader of the world.

I deeply appreciate the honor of addressing an organization whose charter states its goal to "afford to young and old such advantages as shall develop in them the largest capacity for performing the duties of American citizens; to cherish, maintain, and extend the institutions of American freedom; to foster true patriotism and love of country; and to aid in securing for mankind all the blessings of freedom."

It must be abundantly clear by now to even the most ardent pacifist that our great Nation is engaged in a struggle whose outcome will determine whether the peoples of the world will live in freedom or in abject slavery. This is the struggle of freedom against international communism.

Let there be no mistake about it. We are engaged in a titanic conflict with an enemy which has sworn to impose its order over the entire world. It is war just as surely as any combat is; but far more is at stake than in previous wars.

The very existence of the human race—the dignity of the individual, the morality of nations, freedom in all its aspects, depend upon the outcome.

It is manifestly clear, then, that in all of our efforts our sights must be fixed on unmistakable victory.

But there is misunderstanding and confusion about the struggle we are in. All people want the benefits and privileges that go with freedom, but some people do not wish to shoulder the responsibilities which are the other side of freedom's coin. What is worse, some people won't even see the other side of the coin.

Some of the confusion about the nature of the conflict, and our responsibilities in it, is self-induced. Those whom we might describe as culpably ignorant seem determined to hang on to their "do-it-yourself" ignorance "if it takes all summer."

Overwhelming and compelling evidence which time and again demonstrates the absurdity of their convictions about the nature of the Communist conspiracy fails to shake them from their determined ignorance.

Some of the confusion is a result of a sincere misunderstanding of the present struggle as compared with previous concepts of conflict.

During the days of our Revolution our forefathers were faced with what must have seemed incredible problems as they entered the transition from colony to sovereign nation. In light of our present day confrontation with world communism, we might well review some of Washington's admonitions which are summed up so well in his Farewell Address.

In this lucid and deceptively simple speech, Washington enunciated his policy of self-reliance.

The wisdom of that policy has been tested and proved by the experience of over 150 years. With such an example, it would ill behoove us to discard Washington's advice and thoughts on national policy. Instead, our goal should be to formulate a policy as well suited to our present circumstances as his was for young America.

Washington's carefully defined isolationism was not rooted in morbid fear. He simply recognized that a newly born nation had no business contending with the mature, established nations of the world. (The new nations of today would do well to ponder this address.)

Since 1918 when we achieved our status as a world power, we have been debating the question of our place in the world, and debating the foreign policy appropriate for it.

The debate, although occasionally inventive, with glimmers of high vision, has more often been tedious, cliche ridden, and largely irrelevant to the true issues confronting the country. The weary protagonists first appear after World War I.

There was first the Wilsonian position with its idealism about international self-determination in a world where reason would displace power in a League of Nations.

Against this, a new isolationism appeared whose basic position consisted in an unexamined repetition of the no-foreign-entanglements policy of Washington's day.

Both positions were proven incorrect.

The first assumed a utopian world of men of perfection that has never existed.

The second assumed an America that had not grown for 150 years.

What the country really needed was a foreign policy that could see men as they are—and the Nation as it had become.

When, in 1940, the idealistic position ultimately won, it was not because of any intrinsic merit in itself, but because of the obvious fallacy of isolation at that time in history. With the rise of Hitler and the appearance of ideological dreams of empire in both Nazi and Communist camps, it became obvious beyond discussion that American power was necessarily involved in the mainstream of world affairs.

As we look back along the road since then, we appear to have been groping our way from one unrealistic position to another, with expediency and Pollyannaism as guideposts. Witness the terms of surrender in Germany, Soviet intervention in the Far East, frantic postwar disarmament, equally frantic rearmament, withdrawal, containment, massive retaliation, massive foreign aid, diplomacy through a U.N. that can only be a forum. In this welter of frenetic human endeavor, only one strand of direction can be found: We are again at war.

First, we have a desperate need to recognize the basic character of our problem. We are currently spending about $50 billion a year on armaments. We spend additional billions in foreign aid. We levy upon our youth a tax of 2 important years of their developing lives. All of this is good—but all of this we do because of a single fact—the fact of communism. If this vast, ideological monster did not exist, we would not need these vast expenditures and levies.

Yet we seem—year after year, decade after decade—reluctant to admit this. Too often our policy has been to talk softly about communism, refusing to recognize the intensity with which the Soviet Union abhors America, the free world, and all we stand for. Our policy continues to be "negotiation" with the Soviet Union—as though the issues between us were ones that could be settled by the traditional diplomacy of limited interests. The first and greatest of our errors lies in this myopic view of reality.

The question today is not, as it was in Washington's time, whether to accept a revolutionary ideology. The question is one of recognition and understanding of fact—of recognizing what Communist ideology is, and understanding what the Soviet Union is doing with it.

On much less evidence than the evidence which assails us, Washington and the American people were quite able to identify the ideology in the France of their day. We need a like ability to identify in its true dimensions the ideology in the Soviet Union now. This is not some phantasm that will disappear if we pay no attention to it. This is the basic fact in our current situation.

The second fundamental unreality in our policy is the desire to have peace without the use of power. In a schizoid manner we have balanced a Department of Defense with a Committee on Disarmament. Ballistic missiles with the position that war is unthinkable. Basically, we oscillate between an unpalatable reality and an act of faith. Consequently we have become dangerous to the world. No one really knows what we will do, because we ourselves do not know. The simple fact is that America and the West in general have a guilt complex about power. It frustrates our every use of power. In Cuba, in Suez, in Korea, currently in Laos, we half use it in a compromise between dream and reality.

Contrast this with the sturdy acceptance of the fact of power by Washington. One would have expected that a weak, ineffectual collection of former colonies would have made a great to-do about moral principles and the principle of persuasion.

One might have expected Washington to speak like some of the leaders of modern day neutral states. But there, in 1796, in the context of a concern with morals and virtue, we had a quiet acceptance of the fact of experience. Power relations are basic in international affairs. Therefore our young nation had to withdraw from the stage and sit quietly in the audience. It had no power. There is no complaint here, no querulous objection to the realities. There is realistic acceptance. There is the unshakeable confidence that some day we would have power, that some day we might "choose peace or war, as our interests, guided by justice, shall counsel." This grasp of reality promised predictability. Peace or war were envisaged as a matter of choice, and the clear standard is "our interests, guided by justice. * * *"

Will there ever be peace in the world unless the powerful use their power for peace? This always involves the position that there is an alternative to peace, and, at the margin, that the alternative will be invoked against the lawless nation.

America, in its youth, was wise. Our wisdom, perhaps, has faltered in our transition from preoccupation with our own affairs to status of world leader.

The first signs of a refurbished wisdom will be found in a frank, conscious, and determined use of our power—in all its forms—to determine the course of international events in the modern world.

Lest I be charged with mongering for war, I would like to make it clear that I mean all forms of national power—not only military power. I mean diplomatic power, spiritual power, economic power, psychological power, and all other forms of power which, with military power, make a nation great. Military power is important, but in these days of cold war, it is the use of other forms of national power which must concern us. In some instances military power may have to be used and in those instances it must be used. But in the main it is the other forms of national power which must be used to create stability in a disordered world. So I would like to repeat—there is a need for frank, conscious and determined use of our power—in all forms—to influence the course of world events. That way lies sanity. That is reality in a realistic world.

But there is another unreality in our policy. The absurdity of the desire to have policy without national interest. Deeply involved in our approach to foreign affairs is the suspicion that justice and national interest are incompatible principles of action.

This suspicion is articulate in the idea that the Government of the United States has certain altruistic obligations that require a continuous sacrifice of the economic and political interests of the people of the United States. Thus we engage in a policy of do-goodism and sometimes work against our own interests before an assemblage of nations that can find us at most amusing and at worst irresponsible. A paradoxical consequence of this avoidance of national interests is that it leads to a new isolation. But it is a subtle isolationism, hidden behind a mask of the U.N. Our avoidance of national interests leads to a deeper and deeper involvement in the United Nations. And so it is the U.N. and not the United States that engages in foreign affairs.

Let us be clear about it. In proportion to our refusal to accept the responsibility of our power in all its various forms, we in fact withdraw from the real world. We operate in a shadowland where nothing is called by its right name and ghostly memories of a former imperialism obscure the terrible reality of Communist expansion.

What a contrast to Washington. He clearly thought that the objective of any foreign policy is the implementation of national interest. Justice operates to insure that those interests will be accurately defined and temperately sought.

Justice is the mode of foreign policy, not an abstraction that defines its substantial goal. It was still clear in those earlier days that the first and the basic obligation of a government is to the governed. From this it follows that governments have only indirect obligations, defined by natural equity, toward other peoples.

There is a tragic element in the loss of this clear insight. The real interests of the United States coincide with the real interests of the human race. These can be summarized in the single word "peace." Our rise

to power was marked by no international adventures. We never coveted our neighbors' territory or wealth. Now that we have the power, our history assures us that we could use it effectively for peace. The powerful must act powerful—for they cannot act at all, except they act effectively. We are confused by fears—the fear of gaining some advantage, the fear of seeming imperialistic, the fear of being unpopular. The massive power providentially given to us is frustrated by an abstract idealism that is apart from reality and does not recognize the basic conditions for the effective use of power.

The final unreality in our policy is our refusal to permit the economic order to function normally in international affairs. The consequence is confusion between economic and political orders. Our policy on economic aid has attempted to do, by political decisions, the things that the inventiveness of economic man achieves almost unconsciously. Instead of permitting trade to find its own channels, capital to move freely wherever advantage may call it, we have reduced the basic flow of wealth to the paltry trickle of a few billions, extracted by taxes from the American economy and too often inserted into backward economies on the basis of shortsighted political expediency rather than economic rationality. In doing this we foster the illusions of the underdeveloped countries themselves, who think they will solve their economic and social problems by fiat rather than by works.

Economic aid can be good as the concept of the Marshall plan was good, but it can also be bad. More money to a spendthrift son will not solve his problem. Character, hard work, and a realization of his responsibilities will solve a prodigal son's problem. And character, hard work, and a realization of responsibilities in the building of economic strength within a nation's competence, and within its willingness to meet its obligations, will solve many of the new nations' problems. We can help them, but fundamentally economic growth is possible only when people are willing to work and meet the obligations and responsibilities of that growth. We can open a door, and even hold it open for a while, but they have to walk through it.

Against the chaos of thought in our country and in countries receiving aid Washington has left us a neglected heritage of wisdom in lines whose very rhythms convey the quiet sense of contact with reality:

"It is folly in one nation to look for disinterested favors from another * * * it must pay with a portion of its independence for whatever it may accept under that character. * * * There can be no greater error than to expect or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard."

And that, too, is reality. Reality in the past. Reality for the present.

The enduring elements of the realities that Washington sensed or saw in all things are the very elements that challenge us today: the motivations of states, the real ends of foreign policy, the relations between power and peace, the functions of ideology, the character of people.

As we misjudge or confuse or obscure these elements we diminish profoundly the possibilities of peace and even the possibilities of survival, at last of survival in freedom.

To our Nation today falls no social worker's chore of improving the world's hygiene Our challenge is not that of the carnival barker called upon to extol the excellence of his show so that every passerby will at least want to peek inside. Our challenge is not that of the marathon runner who, if only his breath holds out, will find his competitor gasping and falling by the wayside.

Our chore and challenge is simply the dedicated, wise, timely use of every element of our national power to secure the peace of the world by reducing to impotence the opposing power that threatens it.

This is not work for a young nation. It is work for a mature nation in a real world.

We will write, with the pen of our morality and the sword of our responsibility, a great testament to man's triumph over tyranny and terror—a great testament to man's dignity and his determination to live, not as animals cowering in pens of authoritarianism, but as men cast in the image of God and knowing no fear but of Him.

Our lives would be meanly led and, finally, ignobly lost if we accept any lesser dedication.

TRIBUTE TO PIONEERS IN HEAVIER-THAN-AIR CRAFT

Mr. LAUSCHE. Mr. President, yesterday, April 16, at the Smithsonian Institution a presentation was made of an "Early Bird" plaque to the Smithsonian Institution's National Air Museum honoring pilots who flew solo prior to December 17, 1916.

The plaque presented lists the names of the members of the "Early Birds" organization, both living and deceased, including many renowned pioneers of flight. A living member of the "Early Birds" organization is Mr. Reinhardt N. Ausmus of Sandusky in Erie County, Ohio. He built and flew his own airplane in 1912, 9 years after the Wright brothers first flew.

It is needless for me to say that Ohio is proud of the Wright brothers in Dayton, Ohio, Reinhardt N. Ausmus, and others who were the "Early Birds" of our State in building and piloting heavier-than-air craft.

TRIBUTE TO MRS. MILDRED K. GEARE

Mr. BEALL. Mr. President, it is a real pleasure to call the attention of this body to an action by the Republican Party which, I am certain, will receive the most enthusiastic bipartisan support. The event to which I refer is the honoring last night of Mrs. Mildred K. Geare, who is Woman's Club editor and a political writer for the Baltimore News-Post and Sunday American, at a banquet of the Republican Women's Conference at the Statler-Hilton Hotel here in Washington, D.C.

Mrs. Geare was 1 of 3 newspaperwomen who received scrolls in recognition of their attendance at 10 consecutive national conferences of GOP ladies, and I would be terribly remiss if I failed to point out that this unbroken record which she has compiled represents a very real and important service to all of our citizens, Republicans and Democrats alike. The reason, of course, lies in the honest and objective manner in which she has handled her assignments. Acting in accordance with the very highest traditions of the newspaper business, Mrs. Geare has reported the news from a decade of Republican Women's Conferences with an accuracy, a professional detachment and an insight which have won her the respect and admiration of members of both of our major political parties, and I feel I can speak for the citizens of the great Free State of Maryland when I thank her publicly for her enormous contribution to the cause of a free, truthful press. I sincerely hope that our Nation will always continue to have men and women of the ability of Mrs. Geare reporting the political activities which are so important to our continued growth and welfare.

THE STEEL PRICE CONTROVERSY

Mr. GOLDWATER. Mr. President, the recent settlement of the steel price controversy has given the American public an explosive display of Government by Presidential anger and I suggest this is a most dangerous precedent. This Executive action should erase any doubts previously existing about the crushing powers at the command of the President and that these powers were unleashed at our free enterprise system is most unfortunate.

President Kennedy has proved the power of Government to fix prices. He has also proved that the administration's so-called guidelines for wage and price actions are in the nature of mandatory directives. If they are not followed—at least by business—those who digress can expect the full power of Government intimidation to be directed against them.

In effect, the Government's performance was to replace the supply-and-demand operation of the marketplace with an arbitrary bureaucratic decision. It completely overlooked the steel industry's right to appraise its own price requirements in the light of many diverse factors, not the least of which is the actuality and the threat of foreign competition.

The administration offered this naked display of Government power to the public as a move to offset inflation. Such interest in national welfare is laudable but I suggest it is inconsistent with the administration's continuing disinterest in the root cause of inflation—deficit Government spending now estimated at $9 billion.

Mr. President, I wonder why the administration wore blinders while the most inflationary of all labor contracts was recently signed in New York giving the electrical workers a 25-hour week.

And I wonder also, if price fixing is to be the practice of the administration, whether the Attorney General will marshal his forces against his father for the announced increase of prices on expiring leases at the Joseph P. Kennedy-owned Merchandise Mart in Chicago? I doubt that any such action will be forthcoming, but I suggest the administration give its attention to the reasons offered by the Mart's general manager as necessitating the boost—increased operating costs, principally labor and taxes.

Mr. President, if these are valid reasons for a price increase in one segment of our economy—and I believe they are—are they not valid for other segments, including the steel industry?

In its assault on steel, the administration ignored the industry's right to

make a decision affecting its own stockholders, its own interests, and its own workers. The possibility that the decision may have been wrong is no excuse for Government pressure and coercion to reverse that decision. One of the prerogatives of a free enterprise system is the right to make decisions, even wrong decisions.

The President has set a bad and dangerous precedent in forcing the steel companies to knuckle under. At the very least, it will make the business community gun shy at a time when an aura of confidence is needed to spur investment and expansion. And this will aggravate seriously the already difficult unemployment problem in the United States.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938

Mr. HUMPHREY. Mr. President, if there is no further morning business, I ask that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

Without objection, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 11027) to amend the Agricultural Adjustment Act of 1938, as amended.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROPOSED INCREASES IN SECOND- AND THIRD-CLASS MAIL RATES

ARE WE DIGGING GRAVES FOR OUR NEWSPAPERS AND MAGAZINES?

Mr. KUCHEL. Mr. President, under normal conditions, it is not my general practice to comment on proposed legislation while it is still under consideration by a committee of the Senate. Today, however, I intend to violate that rule in order to commend the Committee on Post Office and Civil Service for its wise and thoroughgoing examination of the postage rate increase bill as passed by the House of Representatives.

This measure, in substance, follows the recommendations of the policymaking officials of the Post Office Department, who seem determined to make prohibitive jumps in second- and third-class mail rates regardless of the consequences to the general welfare or to these hard-pressed mail users. In its present form, the evidence at hand indicates that this bill, if enacted, could be the most harmful legislation in recent years because of its adverse effects upon the free press of the United States. For that reason, I am relieved and delighted that the Committee on Post Office and Civil Service, under its able chairman, the distinguished Senator from South Carolina [Mr. JOHNSTON], and with the full cooperation of its ranking minority member, the distinguished Senator from Kansas [Mr. CARLSON] is exploring every facet of the proposed legislation. They are concerned not only with the relation of this legislation to revenue raising and postal policy, but also with its probable influence upon the economic health of the publishing industry. Perhaps the best service rendered by the committee is to put the general public on notice that something more is involved here than mere Government bookkeeping.

I am sure that every Member of the Senate would like to see a balanced budget for the Post Office Department. I am equally sure that every Senator would be appalled at the idea of achieving a balanced budget by bankrupting some of the Nation's finest publications and by driving the $20 billion mail-order business out of the mails. These results would certainly follow if the Senate adopted the House bill.

The postage rate bill sponsored by this administration and the Post Office Department is ill advised as a revenue measure because it may yield less revenue, not more. As a matter of public policy this result is most unfortunate.

By this time, I assume that most Senators, like myself, have been hearing from many constituents who will be placed in an economic straitjacket by an exorbitant increase in mail costs if the postal authorities get what they want. In the course of these brief remarks, I propose to read some of these communications into the RECORD. But my chief purpose in speaking is something else.

I wish to protest the policy of the Post Office Department in dragging the publishers of the United States onto the economic scaffold every time the subject of increased postal revenue comes before Congress. Over the past decade, Congress has increased second-class mail rates by 89 percent, and third-class rates by 150 percent, a terrific cost increase for publishers, many of whom spend nearly as much on third-class mail as they do on second class.

Then in the spring of 1961, just 1 year ago, the present administration sponsored a new rate schedule so big that it would mean extreme financial hardship for thousands of small dailies and country weeklies. In addition, it would actually force dozens of magazines, big and little, into liquidation. The net effect is that publishers and editors have been worrying for 1 whole year about the exact day of their extermination by Congress. Is this fair or even good sense?

It seems to me that it is about time for the political bureaucrats of the Post Office Department to become a little more realistic about postal costs and postal charges. Five years ago, under congressional impetus, an advisory committee of distinguished citizens was appointed to study this whole problem. The report of this committee is still the finest study ever made on the complex business of ratemaking in relation to public policy. I think I may make that statement without equivocation. I know many of the men who served on that committee and have spoken with them on this subject. This committee strongly upheld the theory that the Post Office Department is primarily a public service institution and not a business, and that it has been so considered since our Nation was founded. The committee said that service functions performed by the postal system apart from mail carrying amounted to $392 million for the fiscal year of 1955, and as the distinguished Senator from Minnesota [Mr. HUMPHREY], the majority whip, noted in the Senate last year, by now the public service cost is probably in excess of $400 million.

How well I recall the words of the able Senator from South Carolina [Mr. JOHNSTON], early last year, in a letter addressed to the new Postmaster General when he stated:

> Without a clear resolution of this controversy involving public services, the setting of future postal rates is impossible because we wind up with nothing but confusion confounded insofar as basic costs and the rate formula in the 1958 law are concerned.

The chairman of the Post Office and Civil Service Committee is still pursuing this intelligent course of action in his committee work. Without this diligent effort and attempt to determine public service costs, we may well be digging graves for our newspapers and magazines in the maze of all this confusion. I, too, am very much confused. The Post Office has variously indicated public services amounting to $49 million, $342 million, and now it is supporting $248 million. What is the true figure? They now tell us that thousands of small post offices are not public services as envisioned by the 1958 Postal Policy Act.

Recently I noted that the Postmaster General carried a statement in the U.S. News & World Report which I quote:

> The cost-accounting system is a convenient target for attack, when the actual tarket is not the system but the inescapable conclusion from its findings.

What kind of a system produces such variety of results? The administration is seeking a $450 million hike in first-class mail, and yet its advance cost ascertainment sheets for 1961 show a profit in first class and airmail. Does the system operate in this manner to penalize second-class and third-class mail with enormous losses for propaganda purposes? I say to you, Mr. President, that resolving these questions is a major undertaking—a real challenge to our distinguished Post Office Committee. I am glad the problem is in competent hands.

However, the chief service performed in 1957 by the Senate Post Office and Civil Service Committee was to establish the principle that in postal matters the general welfare must always take precedence over the need for revenue.

The Post Office Department simply ignored the report of the Citizens Advisory Committee in recommending a new rate schedule to Congress. And it did something else, which may be even worse: It disregarded the economic facts of life about the publishing industry, by

sponsoring rates far above bearable levels. Let us consider some individual cases.

The Curtis Publishing Co. is facing the cost-price squeeze which is raising such havoc in the publishing business, and as a result of which nearly 40 percent of the Nation's magazines failed to make money last year. The Curtis Co. publishes, among others, the magazines Saturday Evening Post and Ladies Home Journal, which for the past several decades have been household words from coast to coast. Recently, the Post decided to reduce its number of issues, in order to save money.

Last year the Curtis Publishing Co. paid nearly $15 million in postal charges; and the current bill would increase this amount by another $6½ million.

This huge increase would mean that Curtis would have just two alternatives: further drastic cutbacks, or suspension. The company has about 12,000 employees, enough to form a good-sized city. Most of them are high-wage employees, and Curtis' payroll means the difference between hard times and good times in many communities. I cannot see what public good is accomplished by giving such publications the financial hotfoot.

This is not an isolated case. The publishers of Grit, a nationwide weekly published in Williamsport, Pa., have told me of their plight. Grit is one of the oldest weekly journals in the United States; and for many, many years it has been a welcome visitor in hundreds of thousands of homes. The publisher told me that postal charges are now their third largest budget item. Currently Grit pays $880,000 yearly for postage charges. The 1-cent surcharge on the so-called Murray bill would jump this annual cost to $1.5 million.

Mr. W. B. McGrew, the circulation director of the Sunset magazine, a noted western periodical, published by the Lane Magazine Co., in Menlo Park, Calif., has told me the effect of the House-passed bill on his firm. Virtually all of Sunset's circulation is mail delivered. The increase in second-class and third-class rates would amount to $150,000 in additional annual costs. This, plus the effect of the first-class rate increase, would eliminate Sunset's profit.

The administration-sponsored House bill, if enacted, would go far toward eliminating the magazines of serious thought which have been the nurturing ground of American literature and which have enormously enriched our cultural life.

Mr. John Fischer, editor of Harper's magazine, summed it up this way in a letter to Postmaster General Day:

> Probably the administration has not fully realized that this blow will probably exterminate most of the country's serious magazines—which are largely delivered to subscribers by mail—while it would not touch the sex, crime, and comic book publications, which are sold almost entirely through newsstands.
>
> I find it hard to believe that the Kennedy administration really means to destroy such publications as the Atlantic Monthly, Harper's, the Reporter, Saturday Review, and Commonweal—leaving American culture to be represented in the eyes of the world largely by comic books and TV.

The strain of such large postal cost charges would be severe on the small daily newspapers and the country newspapers. In the long run, they, too, would suffer economic injury. The National Editorial Association, serving as spokesman for these papers, has told the committees of Congress that the new tolls will mean increased mailing charges ranging from 200 to 400 percent, or to put it plainly, far more than these publications can bear. Here again, I wonder what purpose is served by putting the continuance of these small papers in jeopardy. At the conclusion of my remarks, I shall include several letters from California publishers detailing the effect of the proposed rates on their business.

All impartial witnesses that I know of agree that the rate on third-class bulk mail in the House-passed bill will just about exterminate the mail-order business. While the Post Office Department may claim in defense that it recommended a rate somewhat lower than that in the House bill, it was that Department that set the pace and started the trend towards unrealistic rates.

I wish to read to my colleagues the comment of William C. Doherty, president of the National Association of Letter Carriers, in testifying before Senator JOHNSTON'S committee:

> The organization I represent is wholeheartedly in favor of a postage rate increase. We want the record to so state. However, I think it should be shown here that if we price this product [third-class mail] out of the market there is going to be serious difficulty insofar as our postal substitute letter carriers are concerned and there will probably be considerable difficulty among some of the junior regulars.

There is no more loyal body of workers on earth than our fine postal employees; and why Congress should be threatening them with job insecurity is beyond me. Congress set up the bulk-mail class in 1928, to provide employment for postal employees during their slack hours. Thousands of business enterprises accepted the invitation by Uncle Sam to base their selling on mail orders. With characteristic American ingenuity, these men have developed their businesses into a $20 billion industry. But now we propose to put them out of business by exorbitant postage rates, and at the same time deprive private workers in the industry of their means of employment. The Government will lose large sums of revenue, and perhaps thousands of postal employees will find themselves out of jobs, and will join the unemployed of America.

Mr. President, I shall end these observations, as I began, by praising the Senate Post Office and Civil Service Committee for its excellent work on the postage rate measure. I am convinced the committee will act wisely, and not in haste. I am sure the Senate will follow.

The measure which passed the House would mean nothing less than calamity for the free press of the United States. I feel that the Senate committee will come up with a far more sensible solution to the postal rate problem.

I ask unanimous consent to have printed at this point in the RECORD a letter by Mr. John Gunther to the editor of the New York Times, which appeared in the issue of March 14, 1962.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

POSTAGE RISE PROTESTED—HARDSHIP FOR PERIODICALS SEEN IN INCREASED RATE

To the EDITOR OF THE NEW YORK TIMES:

The House of Representatives has recently passed a bill (H.R. 7927) which, if it is also passed by the Senate, will almost certainly destroy serious periodical literature in the United States.

What H.R. 7927 proposes is, in short, a fantastically unjust and excessively steep increase in the second- and third-class postage rates which affect printed matter like magazines, including those of superior literary status.

Meantime, the grisly mulligatawny of sex, crime, joke books, and comic books which are a standing disgrace to the United States will remain untouched, since serious magazines are largely delivered to subscribers by mail, whereas those in the first category are sold almost exclusively at newsstands.

If H.R. 7927 is not drastically modified by the Senate the postal charges paid by magazines will rise 40 percent in a single year. This represents a sum greater than the total net earnings of several distinguished periodicals. I know one magazine, long established, worthy, vital, and of prime national value, which will have to spend more than $100,000 a year in extra postal charges. This was around twice the total profit of this publication in 1960, and more than the combined profit of several previous years.

SHIFT FROM MAIL SYSTEM

Some publications might avoid a small part of the proposed added costs by an attempt to shift away from the postal system, turning to railroads and trucking.

But the great bulk of the postal costs of magazines cannot be avoided. No other means except mail exists to send out renewal notices, for example, or to get magazines into the homes of subscribers.

In the last decade third-class rates have gone up 150 percent, second-class rates 89 percent. This is a much faster increase than other magazine costs—for paper, printing, etc.—which have been rising about 5 percent a year.

There is a widespread impression that magazines are getting a subsidy from the Government under the present rate scale, but this is certainly not the case.

Surely it is unnecessary to stress the point that American magazines of the better class are a national cultural and educational asset—particularly during the present period of international tension when we need all the education and culture that we can get.

The Soviet Union does not destroy literary and cultural outlets which it considers to be useful. On the contrary, Soviet periodical literature (such as it is) flourishes and proliferates under Government protection.

By way of contrast, the total profits for the 35 biggest magazine publishing firms in the United States in 1960—a relatively good year—were only 1.7 percent. In the last 10 years 32 of the 250 largest American magazines either merged or died. Some of the remaining giants are now struggling for their lives; one magazine which was highly profitable for generations lost more than $15 million last year.

The plight of most small American magazines is even more difficult.

Finally, writers have an intimate involvement with the whole issue. It would be a

grievous thing for authors to have to adjust themselves to the somber fact that dozens of our best publications, including many experimental magazines which are wombs for creative activity, should cease to exist. I would like to hear the Authors' League make its voice heard on this aspect of the problem.

JOHN GUNTHER.

Mr. KUCHEL. Mr. President, I make the same request in regard to an interesting article entitled "Publishers Versus Postal Hike." The article was published recently in the Christian Science Monitor.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PUBLISHERS VERSUS POSTAL HIKE

WASHINGTON.—All kinds of publishers, ranging from those who put out smalltown newspapers to those who publish big opinion magazines, are protesting the proposed cent-a-copy surcharge in the pending postal bill.

This penny surcharge, contained in the $691 million postal rate increase bill passed by the House and endorsed by President Kennedy, would be levied on each copy of a newspaper mailed as second-class mail outside the county in which the paper is published.

Magazines (their publishers testify next week) would be similarly affected. But rates for nonprofit publications are untouched by the pending measure.

Smalltown publishers warned in their testimony before the Senate Post Office and Civil Service Committee March 22 that enactment of the measure would sound the knell for a number of weekly and small daily newspapers.

For instance, Maurice K. Henry, publisher of the Middleboro, Ky., Daily News, said his paper's monthly postal bill would increase from $307 to $921 and would be "approximately 50 percent of our net profit."

Faced with these protests, Senator OLIN D. JOHNSTON, Democrat, of South Carolina, committee chairman, has hinted strongly that the House-passed 1-cent surcharge would either be scaled down or eliminated by his committee.

MAGAZINE MEN

Bernard E. Esters, publisher of the Houlton, Maine, Pioneer-Times, said newspapers already have absorbed six increases in the last 10 years, raising their postal costs an average of 89 percent. Speaking in behalf of the more than 6,000 weeklies and small dailies affiliated with the National Editorial Association (NEA), Mr. Esters said the pending bill would hike rates an additional 114 percent.

First witnesses next week before the Senate Post Office and Civil Service Committee will include Edward Weeks, of the Atlantic Monthly magazine, and Payson Hall, of Meredith Publishing Co., which publishes McCall's magazine, and the president of the Magazine Publishers Association.

There is sharp apprehension among the magazines making marginal profits, such as Harper's and the Reporter, that added total costs would shove their budgets dangerously into the red.

OTHER BOOSTS

A big weekly with 2 million subscribers would find the penny surcharge adding $3,640,000 extra expense each year.

The proposed surcharge, if not eliminated by the Senate, would take effect in two steps—half a cent on July 1 this year and another half a cent on July 1, 1963.

The House bill would also raise rates on other categories of mail, boosting first-class letter postage from 4 to 5 cents. Airmail would rise from 7 to 8 cents an ounce.

Magazine publishers point to the tremendous challenge of television, which lures away their most lucrative advertisers and adds to the casualty lists among magazines. They go so far as to suggest that since television is subsidized by having free use of that public domain known as the air waves, publications should continue to enjoy some sort of assistance in reaching readers via general delivery.

Mr. KUCHEL. Mr. President, I also ask unanimous consent to have printed seriatim in the RECORD several representative letters from small newspaper and periodical publishers in my State, from those engaged in direct mailing, and from those employed in the printing industry; which show the effect the House-passed bill would have, if it were enacted, on their livelihood.

One of the letters, which is addressed to me, is from Jack Craemer, secretary of the North Bay unit of the California Newspaper Publishers' Association, and also an executive of the San Rafael, Marin County, Independent Journal.

One is from Mr. Herb Brin, editor and publisher of Heritage, the Southwest Jewish Press, of Los Angeles, Calif.

Another is from Mr. Eli Isenberg, editor and publisher of the Monterey Park Progress.

Another is from Mr. Sol O. Bender, president of Bender Publications, Inc.

Another is from J. S. Hines, publisher of Western Machinery World & Steel.

Another is from a constituent, Mrs. Mary F. Laderoot, of Bellflower, Calif., whose husband is employed by a printing firm.

Another which I received last year is from Jack T. Pickett, editor of the California Farmer, a farm newspaper.

Another is from Mrs. Fritz Thornburg, of Markleeville, Calif., a very small community in the State from which I come. In her letter she demonstrates the effect of this proposed legislation on people who live in small communities in the United States.

Another letter is from George Murphy, Jr., publisher of the Manteca Bulletin in Manteca, Calif.

Another is from Newton Wallace, publisher of the Winters Express in Winters, Calif.

Also a letter regarding direct mail advertising from Mrs. Esther Harvey, a constituent, of Burbank, Calif.

And a letter from Maurice Forley, executive director of Toastmasters International, which does splendid work in our State and the entire Nation.

Also a letter from James W. Wilson, manager of the mail order division of the Ferry-Morse Seed Co., of Mountain View, Calif.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). Without objection, it is so ordered.

The letters submitted by Mr. KUCHEL are as follows:

INDEPENDENT JOURNAL,
San Rafael, Calif., April 9, 1962.

Hon. THOMAS H. KUCHEL,
Senate Office Building,
Washington, D.C.

DEAR TOM: Please be advised that the North Bay unit of the California Newspaper Publishers Association is opposed to those portions of the postal rate bill, H.R. 7927, which would impose oppressive postal rate increases for newspapers.

It is our understanding that H.R. 7927 is scheduled for hearing by the Senate Post Office Committee within the next 2 weeks.

It is our further understanding that some newspaper publishers in other States have suggested a compromise that would trade away present free-in-county privileges for a so-called fair rate structure and minimal increases.

The publishers of the smallest papers in our six-county area, embracing Lake, Marin, Napa, Solano, Sonoma, and Yolo Counties, were most outspoken in their opposition to giving up free-in-county privileges.

They pointed out that a majority of the Nation's newspapers are weeklies with fewer than 1,000 paid subscribers. Postal rate increases of any kind would seriously cut into—if not cut out entirely—their slim net profit.

A resolution setting forth these views for presentation to you was passed without dissent at our most recent meeting, April 6 at Petaluma.

We hope that you will make every effort to see that postal rate increases endangering the very existence of our smallest newspapers are not adopted.

Very truly yours,

JACK CRAEMER,
Secretary, North Bay Unit, CNPA.

HERITAGE,
Los Angeles, Calif., April 5, 1962.

Senator THOMAS H. KUCHEL,
Senate Building,
Washington, D.C.

DEAR SENATOR: The purpose of this note is to suggest the possibility that you might consider helping a few broken-down weekly publishers, such as Herb Brin, who really face disaster should the Post Office get away with its cent-a-copy surcharge in the pending postal bill.

This surcharge is explained in the enclosed story from the Christian Science Monitor. While major magazines might be affected with great or lesser impact, this surcharge spells disaster for me, since we publish three papers in Los Angeles County, mailing two of the papers to areas totally out of Los Angeles County.

In explanation: We distribute our San Diego paper to every Jewish family in San Diego County and down into Imperial Valley. Thus, since we print that paper in Los Angeles (out of necessity, since I live in Los Angeles) I would be paying 1 cent a copy additional to mail it, while the Post Office would have no extra work in processing the San Diego paper, putting me in a precarious competitive position.

Similarly, our paper which circulates in Central Valley and goes to every Jewish family in this large region covering many counties, will also be hit hard.

I am sure that interest will be generated to help the plight of small publishers, because I can't believe that the Post Office Department would want to make more difficult the difficult-enough problems of economic survival for the small, independent weekly newspapers in the Nation.

Forgive me for making this a plea to you at this time because I know in my heart you already are aware of the situation. Yet, I feel better in writing to you.

Best wishes, and—what can I say?

Cordially,

HERB.

SAN GABRIEL VALLEY PUBLICATIONS,
Monterey Park, Calif., April 6, 1962.

DEAR SENATOR KUCHEL: The Senate will act soon on the postal increase bill.

It is my feeling that the Monterey Park Progress and its affiliated newspapers using

the mails receive no subsidy from the Federal Government.

We pay $15,000 a year for postal deliveries in this community. All of our mailings are prepared the way the postman covers his route. If we are priced out of postal service, the post office would not be able to reduce by one employee.

During the last decade, second- and third-class rates have gone up more than 100 percent. The causes of postal deficit are beyond me; but they are not caused by me.

If Post Office is to have balanced budget, I will expect that the Park Service and Agriculture operate on the same equitable basis.

Sincerely yours,

ELI ISENBERG,
Editor and Publisher, Monterey Park Progress.

BENDER PUBLICATIONS, INC.,
Los Angeles, Calif., April 9, 1962.

Hon. THOMAS H. KUCHEL,
U.S. Senate, Washington, D.C.

MY DEAR SENATOR KUCHEL: As president of Bender Publications, Inc., publishers of Southern California Industrial News, Northern California Industrial News, Pacific-Southwest Industrial News, and General Aviation News, H.R. 7927 would work an extreme hardship on us.

I personally do not disagree with the need for an increase in postal rates to cover increased costs. Everything is going up in price, why not postal rates? However, the rate of increase in H.R. 7927 and the planned increase for the coming year would make it almost prohibitive to operate profitably.

We feel the second-class and third-class publications like our own give little work to the post office as compared to a first-class letter. After all, Senator, our mailer delivers to the post office all our papers bundled by zone or city, ready for delivery to its destination. There is no need for postal pickup at a street corner, or individual sort.

It seems to us that the main cost should be borne by the first-class letter which does demand the greatest time and expense in handling.

The higher rates for second- and third-class publications if passed would result in the demise of many worthwhile publications regardless of their marginal character.

Yours truly,

SOL O. BENDER,
President.

WEST LOS ANGELES, CALIF.,
April 2, 1962.

Hon. THOMAS H. KUCHEL,
U.S. Senate, Washington, D.C.:

If the Senate passes H.R. 7927 it will work an almost impossible hardship on all regional publications in the West. We have published Western Machinery & Steel World for the last 40 years in California. With present business I'm just about able to take care of third-class postal rates as they are today. The 40-percent increase will sink us and will probably mean the folding up of many important trade publications.

J. S. HINES,
Publisher, Western Machinery & Steel World.

MARCH 30, 1962.

Hon. THOMAS H. KUCHEL,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: My husband is employed by a printing firm now, but if the proposed postal increase is passed, he may no longer be.

I do not feel that it is fair to increase the second- and third-class mail when it brings in its wake the loss of so many jobs. It is such losses of work that start the ball in motion for other businesses to be hurt because of a reduced buying public. Let's keep America producing and buying and keep our economy progressive not regressive.

Sincerely,

Mrs. MARY F. LADEROOT,
Bellflower, Calif.

CALIFORNIA FARMER,
May 16, 1961.

Senator T. H. KUCHEL: I have just returned from a national meeting of the Agricultural Editors' Association. The assembled editors represented the readership of 20 million families. When we were told of the suggested postal rate increase we thought somebody was kidding. I, personally, cannot conceive of anyone who is politically responsible to the electorate voting for a bill which would sound the death knell for a large number of publications.

Every responsible newspaper is eager and willing to do their part and we feel like we have done our part when we have accepted postal rate increases over the past 3 years totaling 30 percent, but then when we turn around and are faced with a 79-percent increase, put into effect by a man who is a newcomer to his Cabinet post and has, admittedly, no past experience in this field, we are so shocked that we find it difficult to even entertain the idea.

In the case of our own farm paper, which goes to most of the occupied farms in the State, we would suffer a rate increase amounting to something over $38,000 per year. If this incredible rate increase was proposed as a bargaining point, it was certainly a suggestion in bad taste. There are at least two ways to solve most problems. One way that is the easy way out is to pour a bucket of money on it and this has been the Federal Government approach to many of the problems. The other, more intelligent, approach is to make a complete study of the problem, increase the efficiency, modernize, mechanize and cut down waste. It would be my feeling that if the elected representatives would be so careless as to let this suggested postal rate increase go through that they would suffer a tremendous personal reaction from the press of the Nation. In all decency we ask that you reject this catastrophic rate increase and let's make a more intelligent approach to the problem.

JACK T. PICKETT,
Editor.

MARKLEEVILLE, CALIF., *April 10, 1962.*

Senator THOMAS KUCHEL,
Washington, D.C.

DEAR SENATOR KUCHEL: It isn't very often that I write to my Senator, but I wish to express my opinion regarding the bill now under consideration concerning the increase of postal rates—H.R. 7927.

At first I was opposed to the raise in first-class rates from 4 to 5 cents, but having read several articles and editorials concerning this bill, I am much more opposed to the raising of third- and fourth-class rates. We take the Reporter, Farm Journal, Saturday Evening Post, as well as several other magazines which will be severely in jeopardy if these rates are raised.

We live in a tiny rural town and the only contact we have with current events and matters of national importance are our daily paper and the magazines we subscribe to. It is so vital in this type of government that the electorate be well informed on current issues and problems, and I fear that we would be much less well informed if we were to lose these better magazines.

Please, if it is necessary even raise first-class rates to 6 cents. But don't tax our magazines out of existence. Instead, please try to do something about these tons of unsolicited junk mail we receive every day.

Thank you.

Sincerely,

Mrs. FRITZ THORNBURG.

THE MANTECA BULLETIN,
Manteca, Calif., April 10, 1962.

Senator THOMAS H. KUCHEL,
Senate Office Building,
Washington, D.C.

DEAR SENATOR KUCHEL: While not unalterably opposed to any postal increases of any type, I think it would be difficult, if not impossible, for smaller publishers to live with the provisions of H.R. 7927.

We have, of course, had an 89-percent increase in second-class rates since 1945 and, if I understand the provisions correctly, this would go to 189 percent of the 1945 base.

I think, too, that some consideration should be given the proposed increases in third class. This class has already risen 150 percent and it would jump 250 percent over 1945 under the bill as presently set up.

As you probably know, the publication of companion shoppers has been necessary by most small newspapers. We simply could not hold or attract sufficient display advertising in today's market without offering saturation coverage of our trade area since, as you realize, the trading area and circulation area of small newspapers is not always the same. This is certainly the case in our community.

The Bulletin's postal bill in 1961, for shopper and newspaper combined, was a little more than $10,000. As near as I can figure it, this would jump to at least $15,000 and perhaps considerably more.

Unfortunately, as is often the case, such increases will hit the smaller paper in the more scattered rural-type area the hardest. In our own case, for example, we cover a rather large geographical area with scattered population. In this type of situation, we have no alternative for distribution, other than the mail, as the area is not suitable for carrier-boy distribution. Some indication of the inefficiency of the postal system can be gathered, I think, by the fact that newspapers in solidly urban areas can distribute copies much cheaper by carrier boy than by mail. And this applies to existing rates and not to the proposed rates. We, of course, have no choice but to continue the mail distribution.

I understand that you are very interested in this postal matter, and please accept my thanks in advance for anything you can do to assist the small publishers in this problem.

Sincerely yours,

GEORGE MURPHY JR.,
Publisher.

THE WINTERS EXPRESS,
Winters, Calif., April 10, 1962.

Senator THOMAS KUCHEL,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KUCHEL: Regarding the proposed postal rate increases, it seems to me that both the 1-cent surcharge and the proposal to eliminate the historic free-in-county provision are grossly unfair to the extremely small weekly papers (those of under 1,000 circulation).

The 1-cent-per-paper surcharge is unfair in that it charges the same surcharge to a 64-page paper that it does to an 8-page paper, and yet, obviously, the larger paper costs more for the post office to handle, and a 64-page paper crammed with advertising is in a better position to absorb postage than an 8-page paper.

The proposal to eliminate the free-in-county provision sounds to me like an attempt on the part of the large newspapers to sell their smaller brothers down the river, and pass most of the load of a postage increase onto the marginal country newspapers, that exist in communities without home delivery of mail.

These small weeklies, most of which came into being after the free-in-county policy

was adopted, are usually man-and-wife operations, and these publishers haven't the time to carry their fight in person to the Nation's Capital.

The small weekly, which serves as historian, news agency, conscious and focal point of a small community, is just as important to the people of the area as is the large metropolitan daily to its community. I made a rough check with the post office this morning and the elimination of free-in-county would increase my mailing costs to six times the present rate. I'm sure this figure would hold true to all other papers with under 1,000 circulation.

I have no objection to an increase in second-class rates, provided it is reasonable and equitable. A percentage increase in the present well-established formula based on weight and advertising percentages seems to me to be the only fair way to increase postage rates.

Sincerely yours,

NEWTON WALLACE, *Publisher.*

APRIL 9, 1962.

Hon. THOMAS KUCHEL,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: There are thousands of workers in California who depend on direct mail advertising for their livelihood. The increase on the third-class postal mail would mean the loss of these jobs.

Of the $2 billion spent on direct mail advertising, much of it is by the small company who also depends on this type of advertising for his living. It sells billions of dollars' worth of merchandise every year. Many thousands of workers are required to manufacture these articles. It takes many more workers to produce the cartons, string, wrapping paper, transportation, and other items used directly and indirectly in the making of these articles.

The unemployment that would result from the increase in third-class mail rates would not only mean hardship for the workers but a loss in revenue for the Government. Will you please vote against this increase in postal rates.

Sincerely yours,

Mrs. ESTHER HARVEY,
Burbank, Calif.

TOASTMASTERS INTERNATIONAL,
Santa Ana, Calif., April 10, 1962.

Hon. THOMAS KUCHEL,
The U.S. Senate,
Senate Office Building,
Washington, D.C.

DEAR SENATOR KUCHEL: As the largest mailer in Orange County, we are extremely concerned with the proposed increase in third-class mail rates which would be brought on by the passage of H.R. 7927.

As a nonprofit, educational organization, we strive to conduct our financial affairs on a modest basis to enable the greatest number of men to participate in our speech and self-improvement programs.

We have hundreds of clubs active throughout the State of California, as well as in every other State, Canada, and 44 foreign countries. An increase in third-class rates would badly cripple our ability to continue service to our 80,000 members on the financial basis which we now operate.

The postal increase undoubtedly would necessitate an increase in the price of our educational materials to members, as well as a rise in dues. Any increase would materially affect the ability of many of our low-income workers to continue their activities.

We sincerely urge you to vote against H.R. 7927. Passage of the bill would serve only to legislate against our people who least could afford an increase.

Sincerely,

MAURICE FORLEY,
Executive Director.

FERRY-MORSE SEED CO.,
Mountain View, Calif., April 11, 1962.

Hon. THOMAS H. KUCHEL,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: A substantial number of employees at Ferry-Morse Seed Co. depend on mail order for their livelihood. Garden seeds and supplies by mail is one of the oldest, direct to consumer, services.

We are greatly concerned about the proposed rate increase for third-class mail. In spite of highly automated mailing and order processing within our company, net profit is thin.

We have a mailing list of 250,000 home gardeners. Each gardener receives three mailings a year, the minimum number of letters which will keep him coming back to us as a regular customer. If we have to pay a 1 cent per piece increase for these three mailings, this means $7,500 increased expenses each year. Year in and year out we might expect to realize a 3 percent net profit on mail order sales. In order to make $7,500 profit we would have to sell an additional 1 million seed packets at 25 cents each. To get this additional volume would be a costly process.

In another envelope you are being sent a copy of our 1962 Ferry-Morse Garden Catalog. This catalog ordinarily goes out only to people who ask for it, yet it is now being denounced as junk mail. We are mailing the catalog by third-class mail on the same day this letter leaves our office. You will be very fortunate if you receive it within 2 weeks because third-class mail is handled as the last order of the day.

Internally, third-class mail costs us three times as much to handle as first-class mail because of the special zoning and bundling required by the post office. It is our sincere belief that third-class mail is already bearing its share of the postal burden. We urge you to give serious consideration to the inevitable destructive effect that an increase in third-class mail would have on businesses such as ours.

Sincerely,

JAMES W. WILSON,
Manager, Mail Order.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield to the Senator from Kansas.

Mr. CARLSON. I wish to commend the Senator from California for the very excellent statement he has made in regard to proposed postal rate increases in second- and third-class mail.

As a member of the Committee on Post Office and Civil Service, which is holding hearings on a bill which came to us from the House of Representatives, I share his views with regard to the danger of such a piece of legislation if it should be approved as we have it before us in the committee.

I make the statement because the 1-cent surcharge in second-class mail is an unusual and a new method of placing additional charges on second-class mail use.

Before I go further, I want to state that I am in favor of some increase in second-class mail rates. Few persons realize that if that legislation should become law, small newspapers out in the country, weekly newspapers, where we have free-in-county service, would have to pay an added 1 cent per issue outside the county. In other words, a small county daily published near a county border line would have to add $3.12 to the subscription price of their paper to have that paper carried. On the other hand, a great national publication published in New York City monthly or weekly, covering the entire Nation, would have only 1 cent added to its cost.

It seems to me that is a rate which cannot be justified, and I am hopeful our committee will take proper action in regard to that particular section, as we deal with it, and before the bill comes to the Senate.

Second, I want to comment on third-class mail. The Senator from California has well suggested that this is a business-builder mail. There are small corporations and businesses in this Nation that cannot afford to pay for advertisements in national magazines at the rate of $20,000 or $40,000 or $60,000 a page, but they can send advertising literature regarding their products through the third-class mails.

I have received letters from many persons suggesting we should eliminate third-class mail. There are two reasons why it should not be eliminated, in addition to its being a business-builder mail. First, it raises $517 million a year in revenues for the Post Office Department. I venture the guess that if we were to eliminate third-class mail, it would not reduce the cost of operating the Post Office Department one iota. There would be the same number of employees and operational expenses. Second, it is not preferred-handling mail. In other words, first-class mail receives preferred handling, and there should be an increased rate for it. Third-class mail is handled after hours, when employees have no other work to do.

In addition to the reason that a great amount of business is generated as the result of third-class mail, I sincerely hope that the committee, when it considers that question, and before it reports the bill to the Senate, will give additional thought to what the Senator from California has stated today.

I thank him for his fine speech. I did not want to make a speech, but I could not let the opportunity pass without mentioning the fact that he has rendered a real service, not only to publishers, small businesses, and third-class users, but to the citizens of this Nation as well.

Mr. KUCHEL. Mr. President, I wish to express my thanks to the Senator from Kansas for his fine remarks. I also express my thanks for the succinct way in which he has demonstrated why the bill, as it came to us from the House of Representatives, is not in the public interest. When the Committee on Post Office and Civil Service, of which the Senator is the ranking Republican member, works its will on it, I am sure the Senate will have a far better and vastly improved piece of legislation than one which, if it were to become law, would, I think, in truth, take the constitutional guarantee of a free press and make a mockery of it.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield to the distinguished Senator who is the acting majority leader.

Mr. HUMPHREY. The points the Senator from California has raised with respect to certain aspects of the postal rate bill are surely worthy of very, very careful consideration. I believe a rate increase must come, and I think most of us would join in that general conclusion. The question is as to the degree of the increase and the rapidity with which it is applied.

The Committee on Post Office and Civil Service has a real obligation to examine the proposed rate increases with meticulous care, because there is no Member of this body in the first place, who does not want the Post Office Department to have more revenues in order to carry out its responsibilities. Also, we would like to make sure that in obtaining that revenue we would not do an injustice to free enterprise and the free press that means so much to the educational and commercial life of our Nation.

I make no bones about it—I have never felt that the Post Office Department was a business institution as such. We must provide revenues for the Department, as far as possible, from its services, but so many public services that mean so much to the educational and commercial life of this country are performed by the Post Office Department that I think it is foolish to assume that the Post Office Department should be operated as a balanced-budget department of the Government on the basis of what one would call a corporate business structure.

If that were to be done, rural free delivery would go out the window, and surely we would not want that to happen. If the Department were to be operated as a corporate business structure, there would not be favorable rates on the mailing of books which mean so much to the life of this country. If the Department is going to be operated as a business structure, we would have to take an entirely different attitude with reference to our weekly newspapers. I think, surely, we ought to arrive at some degree of balance, in accordance with what I think the Senator from Kansas, the Senator from South Carolina, and most of the other members of the committee have tried to say, namely, and include in the overall budget of the Post Office Department those public service features which should be paid out of general revenues, and then make proper increases in first-, second-, third-, and fourth-class mail to meet a good deal of the cost of the operation of the Department.

The speech of the Senator from California was thoughtful, and while it was critical of certain administration proposals, there is no law against that. Further, as a result of this debate and discussion, we may very well improve the bill and make it possible to pass it, so there may be additional revenues for the Post Office Department.

By the way, I think the Department itself is amenable to these suggestions. Obviously, the Department would like more revenues. I would like to help them get more revenues.

The Committee on Post Office and Civil Service has an obligation to fulfill in reporting a bill. I hope it will do so quickly. In the process of doing it, I think we should take into consideration the observations made by the Senator from California, the Senator from Kansas, and other Senators on this side of the aisle, in an effort to get an equitable rate structure.

Mr. KUCHEL. I thank my friend for the excellent and constructive comments he has made.

I think basically, in this whole dispute, perhaps there is a growing agreement and a growing awareness in the Senate that it is bad for the United States at any time when a publication, big or little, suspends and goes out of business. I know I have shed a tear in the last several months when some distinguished newspapers in California have folded up, because one of the great bulwarks of strength of the American people is a free press.

Congress must not and will not do that which would add to the burdens of any segment of the free press in America, to the point that it would push or prod them along the road to bankruptcy and to decay. I believe the comments of my able friend from Minnesota demonstrate that fact quite well. Whatever action we do take with respect to postal rates, we need to be constructive in so doing and we need to recognize the public service of the Post Office Department as well as the crucial and overwhelming importance of continuing and, indeed, strengthening the free press of this country.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield to my able friend from Kansas.

Mr. CARLSON. I wish to comment further on the remarks made by the distinguished acting majority leader [Mr. HUMPHREY]. I think the remarks were very timely. We should take a second look at the postal operations.

Unfortunately, many people in our Nation believe, when they go to a post office and buy some stamps, that the revenue from the sale applies to the postal operations of our Nation. It does not. That revenue goes into the U.S. Treasury the same as excise tax payments and income tax payments. The Post Office Department is operated under a direct appropriation by the Congress of the United States. It is important, I think, for us to keep that in mind when we deal with this splendid public service organization of ours, which is what the Post Office Department is.

I have wrestled with this problem for many years. I am glad the Senator from Minnesota has mentioned it. In my opinion, we should provide at least $342 million for public service. I think perhaps we could justify more. Certainly, no one believes, as was mentioned, that a rural route can justify on a business basis the carrying of a letter 25 or 30 miles for the cost of the stamp. Many second-class, third-class and fourth-class post offices certainly cannot be justified on the basis of their actual costs of operation compared to the revenue derived from them.

If we can, as Members of the Senate, finally reach an agreement with the Department, we can work out postal rates which will be accepted by the people. This would continue the splendid public service of the Post Office Department.

I shall be one who will cooperate and assist in so doing.

Mr. KUCHEL. I thank the Senator from Kansas.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. HUMPHREY. The second-class and third-class post offices are the Government of the United States to many thousands and thousands of people. That is the only symbol of the Government, outside of the Stars and Stripes, in these small communities.

Those post offices serve many functions other than merely the distribution of mail. I think the Senator from Kansas has made a very much needed point today; namely, that the Post Office Department offers great service for the people of this country.

Without a post office, our industry and commerce could not possibly be what it is today. Without a post office, our whole educational achievement could not possibly be what it is.

The Post Office Department should not be accused always of operating at a deficit, as if it were a catalog house or a seed house or a corporation. It should be looked upon as one of the vital services for enlightenment, for health and welfare, for security, and for the commercial development of this country. It is one of the finest institutions we have. A good deal of that is due to the kind of cooperation which has been extended by the Congress over the years in expanding such services.

I pay my respects to the chairman of the committee [Mr. JOHNSTON] and to the ranking Republican member of the committee [Mr. CARLSON], because I have never known very much partisanship to exist on that committee, and I have served on it.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield to the Senator from Kansas.

Mr. CARLSON. The Senator from Minnesota again has made a valuable statement.

The post office is the one spot an individual citizen of a community goes to where the flag is flown above the building. It is the citizen's first contact, and his closest contact, with the Government of the United States. We should keep it operating in a way so that the citizen will recognize it is his first contact, in a way so that he will be proud to be a citizen of this great Nation, represented by that Department.

Mr. CURTIS. Mr. President, will the distinguished Senator from California yield?

Mr. KUCHEL. I yield to the able Senator.

Mr. CURTIS. I commend the Senator for his discussion of the postal rate bill. It needs much discussion and study.

Under the bill which has been sent to us by the House of Representatives the surcharge for mailing a little newspaper which weighs 3 or 4 ounces from one county seat in Nebraska to another

county seat in Nebraska would be 1 cent, yet the surcharge for sending the Sunday issue of the New York Times from New York City to San Francisco would be 1 cent. I do not know how such a difference can be justified.

What I am saying is that the bill needs a lot of study.

The distinguished Senator from Kansas [Mr. CARLSON] is to be commended for the work he has put in, as well as the other members of the committee and the chairman of the committee. Our distinguished whip has contributed much today by discussing the problems before a final Senate bill is formalized.

Mr. KUCHEL. I thank my good friend, the distinguished Senator from Nebraska, not only for his kind words, but also for demonstrating very clearly one of the specific inequities involved in the proposed legislation now before the committee, under the example he gave. There is no reasonable or rational justification for that kind of a result.

Mr. President, I yield the floor.

Mr. WILLIAMS of Delaware. Mr. President, I join my colleagues in paying my respects to the Senator from California for his very timely remarks on the important proposal of postal rates which will be before the Senate later this year. His remarks deserve study by every Member of the Senate.

ARE DIRECT INVESTMENTS IN OVERSEA SUBSIDIARIES BENEFICIAL TO THE U.S. ECONOMY?

Mr. CURTIS. Mr. President, the Senate Finance Committee is confronted with the problem of reconciling two completely divergent points of view with respect to America's foreign economic policy.

There is bipartisan agreement that a two-way flow of trade and a person-to-person contact between Americans and the citizens of other countries will promote a better understanding of our national objectives, including the advantages of our free, private enterprise economy. At a time when we are spending billions of dollars on economic assistance programs and the Peace Corps, it would be foolish not to realize the contributions that our businessmen abroad can make to the attainment of our overall foreign policy objectives. Every Senator, I am sure, concedes that we are experiencing difficulties because of our unfavorable overall international accounts which have resulted in a continuous pressure on our gold reserves.

The problem that confronts the Senate is how to achieve our aims and maintain our solvency and the strength of the dollar.

The administration is proposing that we reduce our already low tariff barriers in an attempt to persuade other countries to lower theirs. This is particularly directed to those in the European Economic Community. It is their belief that we could greatly increase our exports in relation to the imports that we are receiving from other countries if we adopt their course. If the reduction of tariffs with an expected increase in imports is a wise move for us to make, many citizens will wonder why the Congress found it necessary to reduce the duty-free tourist imports from $500 to $100. It is difficult in view of the magnitude of the dollars involved in the various items which constitute our total balance of accounts to see how this minute reduction in imports is justified when at the same time we propose far more sweeping incentives to increase them by authorizing the President to negotiate large reductions in our tariff barriers.

The administration further proposes that the Congress correct our unfavorable dollar balance by imposing new restrictions on oversea investments by American business.

In explaining the theory underlying the administration's tax proposals, they use the phrase "tax neutrality." They state that they have no quarrel with any firm establishing a plant overseas but that the decision to establish such a plant should not be influenced by any tax considerations. They concede that at the present time foreign investments, particularly in the European Economic Community, have been necessary in order to avoid having to scale a high tariff wall. The administration believes that with tax neutrality, there will be no incentive for American firms to export jobs; they will only build plants overseas where the economics of the situation would justify such a decision. They further state that this course is a logical one providing that the Congress grant the President the power to eliminate any tariff barriers which may impede American exports.

Because these issues are so fundamental, it is my intention to discuss them with my colleagues at some length. The economic destiny of too many Americans is at stake in the decisions that this Congress may make involving the administration's tax and tariff programs.

First, it is necessary to recognize that oversea investments have contributed greatly to America's exports of capital goods and components. They constitute a significant plus factor in our overall international monetary position. Furthermore, there is the mistaken notion that the establishment of American-oriented firms overseas tends to export jobs. Nothing could be further from the truth. Those who advocate such a theory apparently presume that if American firms did not establish subsidiaries in oversea countries that the products which such firms produce abroad would be replaced by exports from the United States. This theory overlooks the fundamental fact that other developed nations are making every effort to assist their enterprises to improve their market position in every country—developed and underdeveloped. If the United States were to withdraw from oversea investment, it is a certainty that leading firms in the other developed countries would establish foreign operations to take their place. Should this occur, within a short time our export markets would shrink and our overall financial position would deteriorate.

There have been many debates on the Senate floor with regard to the taxation of foreign income. Invariably reference is made to the abuses of our internal revenue laws by a few individuals or closely held corporations whereby an oversea operation is established for the sole purpose of evading a portion of the financial obligation which every taxpayer has to the U.S. Treasury. Certainly no Senator has the desire to assist such individuals who are improperly using oversea subsidiaries or so-called tax havens.

Legislation has been enacted to require detailed reporting by corporations with respect to their oversea operations. In addition, for many years the statutes have provided for the taxation of incorporated pocketbooks through legislation dealing specifically with the taxation of foreign personal holding companies.

However, it would be a great mistake to apply such treatment to the taxation of oversea investments by widely held American firms which have ventured overseas for good sound business reasons. From the standpoint of our foreign policy, these oversea operations constitute a working model of our free enterprise system for all to see. The issues presented by the administration's original proposals before the House Committee on Ways and Means last spring are involved and, it is our obligation, before enacting any legislation, to make sure that all the implications of the Treasury's recommendations are perceived by every American.

Mr. President, my distinguished colleague, the junior Senator from Tennessee [Mr. GORE], I believe, supports the administration's trade expansion program. He has stated the need for tax neutrality to equalize the position of American workers and employers with their competition overseas. To this end, he is convinced that the Congress should enact the Treasury's proposals with respect to the taxation of foreign income. It is essential that the points which he has raised be widely discussed. The testimony before the House Ways and Means Committee provides evidence which either supports or refutes his contentions. The Senate Finance Committee is currently receiving additional testimony. All these views should be given consideration by not only the Finance Committee but all Members of this body.

The junior Senator from Tennessee, since early in the 1st session of the 87th Congress, has been proposing drastic changes in U.S. taxation of income earned by oversea subsidiaries even though no funds have been remitted as dividends to the parent domestic corporation.

On Thursday, March 29, 1962, the House of Representatives passed H.R. 10650. This act will change the present tax code with respect to the taxation of foreign-source income.

Mr. President, it is my firm belief that amendments to the 1954 code included in that act will damage the economic position of the United States.

The administration in its presentation to the Finance Committee already has requested that the original proposals presented by the Secretary of the Treasury a year ago be incorporated in the House

bill by amendment before it is reported by the Finance Committee.

Mr. President, a careful examination of the statements by the junior Senator from Tennessee clearly shows the areas of misunderstanding which must be given further consideration by the Senate. I shall state them for the benefit of my colleagues:

First. Is it true that our present treatment of income earned abroad by American direct investments has an adverse effect on our balance of payments?

Second. Does the present revenue code with provisions for so-called tax deferrals and the tax credit tend to export jobs?

Third. Do Americans invest abroad rather than in the United States because of the tax advantages they may secure?

Fourth. Is it true that it is no longer desirable to encourage American investment in developed countries and thus alter the policies the United States followed since the end of World War II when there was a dollar shortage in Western Europe?

Fifth. Does the encouragement of American investment overseas have an adverse effect on our exports?

Sixth. Are tax-haven operations used to evade U.S. income taxes by the great majority of American firms with direct foreign investments?

Seventh. Does equity require that American taxpayers with equal amounts of income pay the same tax regardless of the source of such income?

These contentions would demand a revision of our tax structure if they are substantiated by factual evidence. However, the preponderance of the testimony received by the Committee on Ways and Means clearly shows that foreign direct investments have made a major contribution to our balance-of-payments position, have increased our exports, and provided jobs for American workers. Rather than mitigate the problems which have been cited by the junior Senator from Tennessee, the administration program would compound our difficulties.

Mr. President, it is my intention in the coming days to review with my colleagues in the Senate each of these seven major questions which have been raised with respect to the effect of foreign direct investment on our domestic economy in the field of employment and in the field of increasing exports.

Mr. KUCHEL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KUCHEL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REGISTRATION OF STATE CERTIFICATES IN INTERSTATE COMMERCE

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 320) to amend the provisions contained in part II of the Interstate Commerce Act concerning registration of State certificates whereby a common carrier by motor vehicle may engage in interstate and foreign commerce within a State which was, to strike out all after the enacting clause and insert:

That paragraph (1) of subsection (a) of section 206 of the Interstate Commerce Act is amended by striking out the last two sentences and by inserting in lieu thereof the following: "Pending the determination of any such application the continuance of such operation shall be lawful."

SEC. 2. Subsection (a) of section 206 of the Interstate Commerce Act is amended by adding at the end thereof the following new paragraphs:

"(6) On and after the date of the enactment of this paragraph no certificate of public convenience and necessity under this part shall be required for operations in interstate or foreign commerce by a common carrier by motor vehicle operating solely within a single State and not controlled by, controlling, or under a common control with any carrier engaged in operations outside such State, if such carrier has obtained from the commission of such State authorized to issue such certificates, a certificate of public convenience and necessity authorizing motor vehicle common carrier operations in intrastate commerce and such certificate recites that it was issued after notice to interested persons through publication in the Federal Register of the filing of the application and of the desire of the applicant also to engage in transportation in interstate and foreign commerce within the limits of the intrastate authority granted, that reasonable opportunity was afforded interested persons to be heard, that the State commission has duly considered the question of the proposed interstate and foreign operations and has found that public convenience and necessity require that the carrier authorized to engage in intrastate operations also be authorized to engage in operations in interstate and foreign commerce within limits which do not exceed the scope of the intrastate operations authorized to be conducted. Such operations in interstate and foreign commerce shall, however, be subject to all other applicable requirements of this Act and the regulations prescribed hereunder. Such rights to engage in operations in interstate or foreign commerce shall be evidenced by appropriate certificates of registration issued by the Commission which shall be valid only so long as the holder is a carrier engaged in operations solely within a single State, not controlled by, controlling, or under a common control with a carrier engaged in operation outside such State, and except as provided in section 5 and in the conditions and limitations stated herein, may be transferred pursuant to such rules and regulations as may be prescribed by the Commission, but may not be transferred apart from the transfer of the corresponding intrastate certificate, and the transfer of the intrastate certificate without the interstate or foreign rights shall terminate the right to engage in interstate or foreign commerce. The termination, restriction in scope, or suspension of the intrastate certificate shall on the 180th day thereafter terminate or similarly restrict the right to engage in interstate or foreign commerce unless the intrastate certificate shall have been renewed, reissued, or reinstated or the restrictions removed within said one hundred eighty-day period. If, however, during the six months period of termination, restriction in scope or suspension of the State certificate the holder of the corresponding certificate of registration has continuously performed the interstate operations authorized thereunder such certificate of registration can only be suspended, revoked, or terminated by the Commission in accordance with the provisions of the Act governing such suspensions, revocations, or terminations of certificates issued by the Commission: *Provided, however,* That under all other circumstances such certificates of registration * * *. Such rights shall be subject to suspension or termination by the Commission in accordance with the provisions of this Act governing the suspension and termination of certificates issued by the Commission. The Commission may impose reasonable requirements with respect to the filing with it of certified copies of such State certificates and other appropriate statements and data, and compliance with applicable requirements established by and under the authority of statutes applicable to interstate and foreign operations administered by the Commission, as conditions precedent to engaging in interstate and foreign operations under the authority of such State certificate. In accordance with such reasonable rules as may be prescribed by the Commission, any party in interest, who or which opposed in the State commission proceeding the authorization of operations in interstate or foreign commerce, may petition the Commission for reconsideration of the decision of the State commission authorizing operations in interstate or foreign commerce, and upon such reconsideration upon the record made before the State commission, the Commission may affirm, reverse, or modify the decision of the State commission, but only with respect to the authorization of operations in interstate and foreign commerce.

"(7)(A) In the case of any person who or which on the date of the enactment of this paragraph was in operation solely within a single State as a common carrier by motor vehicle in intrastate commerce (excluding persons controlled by, controlling, or under a common control with, a carrier engaged in operations outside such State), and who or which was also lawfully engaged in such operations in interstate or foreign commerce under the certificate exemption provisions of the second proviso of paragraph (1) of this subsection, as in effect immediately before the date of the enactment of this paragraph or who or which would have been so lawfully engaged in such operations but for the pendency of litigation to determine the validity of such person's intrastate operations to the extent such litigation is resolved in favor of such person, and has continued to so operate since that date (or if engaged in furnishing seasonal service only, was lawfully engaged in such operations in the year 1961 during the season ordinarily covered by its operations, and such operations have not been discontinued), except in either instance as to interruptions of service over which such person had no control, the Commission shall issue to such person a certificate of registration authorizing the continuance of such transportation in interstate and foreign commerce if application and proof of operations are submitted as provided in this subsection. Such certificate of registration shall not exceed in scope the services authorized by the State certificate to be conducted in intrastate commerce, and shall be subject to the same terms, conditions, and limitations as are contained in or attached to the State certificate except to the extent that such terms, conditions, or limitations are inconsistent with the requirements established by or under this Act. If the effectiveness of the State certificate is limited to a specified period of time, the certificate of registration issued under this paragraph (7) shall be similarly limited. Operations in interstate and foreign commerce under such certificates of registration shall be subject to all other applicable requirements of this Act and the regulations prescribed hereunder. Certificates of registration shall be

valid only so long as the holder is a carrier engaged in operation solely within a single State, not controlled by, controlling, or under a common control with a carrier engaged in operation outside such State, and except as provided in section 5 and in the conditions and limitations stated herein, may be transferred pursuant to such rules and regulations as may be prescribed by the Commission, but may not be transferred apart from the transfer of the corresponding intrastate certificate, and the transfer of the intrastate certificate without the interstate or foreign rights shall terminate the right to engage in interstate or foreign commerce. The termination, restriction in scope, or suspension of the intrastate certificate shall on the 180th day thereafter terminate or similarly restrict the right to engage in interstate or foreign commerce unless the intrastate certificate shall have been renewed, reissued, or reinstated or the restrictions removed within said one hundred and eighty-day period. If, however, during the six-month period of termination, restriction in scope or suspension of the State certificate the holder of the corresponding certificate of registration has continuously performed the interstate operations authorized thereunder such certificate of registration can only be suspended, revoked, or terminated by the Commission in accordance with the provisions of the Act governing such suspensions, revocations, or terminations of certificates issued by the Commission: *Provided, however,* That under all other circumstances * * *. Such certificates of registration shall be subject to suspension or termination by the Commission in accordance with the provisions of this Act governing the suspension and termination of certificates of public convenience and necessity issued by the Commission.

"(B) All rights to engage in operations in interstate and foreign commerce under the provisions of the second proviso of paragraph (1) of this subsection, as in effect immediately before the date of the enactment of this paragraph, shall cease and terminate, but any carrier lawfully engaged in interstate and foreign operations on the date of the enactment of this paragraph or any carrier who would have been so lawfully engaged in such operations but for the pendency of litigation to determine the validity of such person's intrastate operations to the extent such litigation is resolved in favor of such person, pursuant to such provisions, may continue such operations for 120 days after such date and, if an appropriate application for a certificate of registration is filed within such period, such operations may be continued pending the determination of such application. The Commission shall prescribe the form of such application, the information and documents to be furnished, the manner of filing, and the persons to whom or the manner of giving notice to interested persons of such filings. Issues arising in the determination of such applications shall be determined in the most expeditious manner and, so far as practicable and legally permissible, without formal hearings or other proceedings. A notice of intent to engage in interstate and foreign operations accompanied by certified copies of effective, lawfully issued or acquired State certificates filed with the Commission as evidence of authority to operate in interstate or foreign commerce under the provisions of the second proviso of paragraph (1) of this subsection, as in effect immediately before the date of the enactment of this paragraph, shall be conclusive proof that the applicant is lawfully engaged in interstate and foreign operations and the scope thereof."

Mr. SMATHERS. Mr. President, I move that the Senate disagree to the amendments of the House, ask for a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SMATHERS, Mr. HARTKE, Mr. MCGEE, Mr. MORTON, and Mr. CASE of New Jersey conferees on the part of the Senate.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938

The Senate resumed the consideration of the bill (H.R. 11027) to amend the Agricultural Adjustment Act of 1938, as amended.

Mr. HUMPHREY. Mr. President, the purpose of the bill, as reported from the Committee on Agriculture and Forestry by the Senator from Mississippi [Mr. EASTLAND], is to deal with a situation which exists in several areas of the Midsouth, where floodwaters are now overrunning cotton land and preventing the planting of cotton. Even when the floodwaters recede, the land in many instances will be unfit for planting for several weeks.

This year flood conditions have already occurred in Kentucky and Tennessee and are expected to occur in Missouri, Mississippi, and other Southern States. The bill would change the date on the act to permit farmers in areas flooded in 1962 to take the same kind of action which has proved helpful in similar circumstances in the 2 previous years.

The bill would authorize the Secretary of Agriculture to permit 1962 cotton acreage allotments which cannot be planted because of natural disaster to be transferred to any farm in the same or an adjoining county in which the producer will be engaged in the production of cotton and will share in the proceeds thereof.

As has been stated, the bill has been passed by the House.

Mr. KUCHEL. Madam President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. KUCHEL. Will the Senator confirm my understanding that the bill was reported unanimously by the Committee on Agriculture and Forestry and with no objection having been raised from this side of the aisle?

Mr. HUMPHREY. The Senator is correct. It is a unanimous report, a noncontroversial report.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 11027) was ordered to a third reading, was read the third time, and passed.

TARIFF CLASSIFICATION ACT OF 1962

Mr. HUMPHREY. Madam President, I move that the Senate proceed to the consideration of Calendar No. 1281, H.R. 10607.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 10607) to amend the Tariff Act of 1930 and certain related laws to provide for the restatement of the tariff classification provisions, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. KUCHEL. Madam President, I have received from a constituent of mine a memorandum objecting to the passage of the bill. Based on the memorandum, I wrote a letter to the Chairman of the U.S. Tariff Commission, asking for his comments on the bill, particularly with respect to whether judicial review would be afforded under the proposed legislation in exactly the same fashion as it is afforded under existing law.

In his reply, the Chairman referred to language both in the Senate report and in the House report, which reads, in part:

> This bill does not in any way detract from or remove any of the existing provisions of law concerning judicial review of executive or administrative action. The present judicial review procedures will continue in force before and after the new tariff schedules are made effective.

Simply for the purpose of the RECORD, since I interpose no objection to the bill, I ask unanimous consent that the text of my letter to Chairman Dorfman, his reply to me, and the memorandum of objection from one of my constituents, be printed at this point in the RECORD.

There being no objection, the letters and memorandum were ordered to be printed in the RECORD, as follows:

APRIL 6, 1962.

Honorable BEN D. DORFMAN,
Chairman, U.S. Tariff Commission,
Washington, D.C.

DEAR MR. CHAIRMAN: Several of my constituents have expressed their concern regarding certain provisions of H.R. 10607, the Tariff Classification Act of 1962, which has passed the House of Representatives and is now pending on the Senate Calendar.

Their principal concern is that they believe the present procedures providing for judicial review of classification and rates will not apply to the new tariff schedules and merchandise imported after these new schedules have taken effect. I would be grateful for your comments on this matter. I believe judicial review should be afforded under the same conditions as presently exists. Judicial review of administrative determinations is an essential ingredient of American justice and should be preserved.

My constituents have also noted the following sentence which appears on page 4 of the report of the Senate Committee on Finance (S. Rept. No. 1317): "The only changes which can be made in the tariff schedules, after the enactment of the bill, will be those which the Tariff Commission finds are required to be made by virtue of legislation, court decisions, or authoritative administrative decisions, all of which necessarily must be reflected in the new tariff schedules."

They would point out that authoritative administrative decisions are blanketed into the new tariff schedules as law without a final court determination having been made. I would be grateful for your comments on this point as well as on the three-page brief which they have sent me and which I enclose for your review.

With kindest regards,

Sincerely yours,

THOMAS H. KUCHEL,
U.S. Senator.

OBJECTIONS TO H.R. 10607 AS PASSED BY HOUSE OF REPRESENTATIVES

H.R. 10607 is an act to amend the Tariff Act of 1930 and certain related laws to provide for the restatement of the tariff classification provisions and for other purposes.

The bill was introduced in the House of Representatives on or about March 8 or 9, 1962. It was favorably reported by the House Committee on Ways and Means (H. Rept. No. 1415) on March 10, 1962, as reported in the CONGRESSIONAL RECORD of March 12, 1962. A resolution limiting debate to 3 hours and the right of amendment to members of the committee was adopted on March 13, 1962. The bill was briefly debated and passed by the House of Representatives on March 14, 1962, and was referred to the Senate Committee on Finance on March 15, 1962.

H.R. 10607 replaces H.R. 9189, which was introduced in the 1st session of the 87th Congress. No action was taken on that bill, to which objections were made by both importers and domestic interests.

H.R. 10607 provides for the adoption of the revised tariff schedules prepared by the U.S. Tariff Commission pursuant to authorization contained in the Customs Simplification Act of 1954. The purposes of the revision were, among others, to rearrange in more logical form and terminology the schedules of tariff classifications which set out the import duty rates applicable to imported merchandise, and to adapt the tariff classification schedules to changes which have occurred since 1930 in the character and importance of articles imported into the United States. The congressional directive to the Tariff Commission called for the revisions to be made without changing rates of duty other than those incidental rate changes deemed necessary by the Commission in accomplishing the objective sought.

In November of 1960, the Tariff Commission transmitted to the Congress the results of its study, in the form of a 10-volume report entitled "Tariff Classification Study—Proposed Revised Tariff Schedules of the United States." A supplemental report was submitted to the Congress by the Tariff Commission in January of 1962, incorporating certain changes in its original proposals necessary to reflect inadvertencies called to the Commission's attention during its reexamination, as well as certain changes made because of additional information supplied to the Tariff Commission after publication of its initial report.

It is noted that the report of the House Committee on Ways and Means indicates that the proposed schedules do involve some rate changes (H. Rept. No. 1415, p. 3). Aside from the fact that this would seem to warrant congressional review or consideration, there are other aspects of the bill which have serious implications, depriving importers of the right to judicial review of administrative decisions as to the rate and amount of customs duty payable on imported merchandise.

It is noted that the House Report No. 1415 states (at p. 5):

"This bill does not in any way detract from or remove any of the existing provisions of law concerning judicial review of executive or administrative action. The present judicial review procedures will continue in force before and after the new tariff schedules are made effective."

However, the saving clause of title II of H.R. 10607 set out in section 202(a) thereof does not appear to have the effect stated above, since it does not appear to preserve such rights with respect to merchandise entered (imported) after the effective date of the tariff schedules.

Section 202(a) of H.R. 10607 provides:

"SEC. 202. (a) This Act shall not divest the courts of their jurisdiction over a protest filed under section 514 of the Tariff Act of 1930, as amended (19 U.S.C. 1514), or by an American manufacturer, producer, or wholesaler under section 516(b) of such Act (19 U.S.C. 1516(b)), against a liquidation covering articles entered, or withdrawn from warehouse, for consumption before the effective date of the Tariff Schedules of the United States."

Section 514 of the Tariff Act of 1930 provides for the filing of protests against decisions of customs administrative officers fixing rates of duty applicable to imported merchandise. Thousands of such protests are filed annually by persons engaged in importing, at all ports of the United States.

While section 202(a) of H.R. 10607 specifically preserves the right to judicial review as to merchandise entered (imported) before the effective date of the tariff schedules proposed by the Tariff Commission, no such provision is made with respect to judicial review of assessments on merchandise imported after the adoption of such revised tariff schedules.

The bill accordingly warrants further study to insure that it does not deprive a substantial segment of our citizens of the right to judicial review of administrative decisions as to the rate and amount of customs duties chargeable on imported merchandise, a fundamental principle of our American way of life.

It is suggested that language such as was used by Congress in the Tariff Act of 1930 in the saving clause would be more appropriate:

"Nothing herein shall be construed to limit or restrict the jurisdiction of the United States Customs Court or the United States Court of Customs and Patent Appeals."

APRIL 9, 1962.

The Honorable THOMAS H. KUCHEL,
U.S. Senate.

DEAR SENATOR KUCHEL: I have your letter of April 6, 1962, regarding concern expressed by several of your constituents in connection with H.R. 10607, the Tariff Classification Act of 1962, which has passed the House of Representatives and is now pending on the Senate Calendar.

As you state, their principal concern is the belief that the present procedures providing for judicial review of classification and rates will not apply to the new tariff schedules and to merchandise imported after the new schedules have taken effect. I wish to allay the fears of your constituents on this point. Report No. 1317 of the Senate Finance Committee and Report No. 1415 of the House Ways and Means Committee both clearly state (p. 5) that—

"This bill does not in any way detract from or remove any of the existing provisions of law concerning judicial review of executive or administrative action. The present judicial review procedures will continue in force before and after the new tariff schedules are made effective."

Section 101(a) of the bill provides for the substitution of the new tariff schedules for the existing schedules of the Tariff Act of 1930, as amended. Thus, being bodily incorporated into the existing Tariff Act, the administrative and special provisions of such act, including sections 514, 515, 516, and other provisions relating to the jurisdiction of the customs courts to review administrative determinations of customs officers, will perforce continue unabated with respect to issues arising after the new schedules have taken effect. No saving provision is needed for the reason that no provision in the bill specifically or impliedly divests the court of any of its existing jurisdiction.

In actuality, the jurisdiction of the court is extended rather than curtailed. As stated in Report No. 1317 of the Senate Finance Committee (p. 9), section 202(b) of the bill prevents domestic manufacturers' protests which may be pending before the courts under section 516(b), Tariff Act of 1930, from becoming moot at the time the tariff schedules go into effect.

Your constituents also express concern about the fact that the new schedules include some incidental changes in rates of duty. This fact they suggest would seem to warrant a congressional review or consideration of the schedules. On this point, I wish to point out that this feature of the new schedules was thoroughly discussed and considered by the Committee on Ways and Means in executive sessions held at the end of the 1st session and at the beginning of the 2d session of the 87th Congress. That committee issued a press release on August 15, 1961, to all interested parties inviting their comments on the proposed revised schedules and on the bill introduced providing for their implementation. Very few objections were received, and all those which were received were the subject of public hearings by the Tariff Commission in November 1961. The results of this further review were reported to the President and the Congress in January 1962 in the First Supplemental Report to the Tariff Classification Study.

The enclosure of your letter is herewith returned.

Sincerely yours,

BEN DORFMAN, *Chairman.*

Mr. SMATHERS. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERR. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERR. Madam President, what is the pending business?

The PRESIDING OFFICER. The pending business is Calendar No. 1281, the act to amend the Tariff Act of 1930.

Mr. KERR. Is that H.R. 10607?

The PRESIDING OFFICER. The Senator is correct.

Mr. KERR. Madam President, H.R. 10607 is designated the Tariff Classification Act of 1962.

The Tariff Act of 1930 is now about 32 years old. Since it was adopted, numerous trade agreements have been entered into and literally hundreds of new items have come into being and have found their way into the channels of commerce.

When a new item is imported, the Treasury Department uses various logical and legal methods of ascertaining what is the duty, and as the number of these items increases the workload becomes greater; the free flow of trade is impeded and both importers and domestic producers have problems ascertaining what rate of duty would be assessed on an item when imported.

A few years ago the Congress took cognizance of this growing problem and asked the Tariff Commission to prepare a revision of our import classification system, to modernize it, to streamline it, and to simplify it wherever practical. The suggestion was made that, to the extent feasible, rates of duty be left unchanged, although it was recognized that in any consolidation process some incidental rate changes would be required.

The Tariff Commission has done an unprecedented job. Many, many hearings were held; and the conferences with importers, domestic producers, and other interested parties ran into the hundreds. Now we have the proposed revised tariff schedules submitted by the Commission which, with full explanatory notes and background material, fill 11 large volumes, which I have on the desk before me, including a supplemental report of over 1,100 pages.

Out of the many problems that have been taken up and the hundreds of individuals, companies, and associations that have been involved, only a very small number have raised questions that seem at this point to defy compromise or solution to the full satisfaction of all concerned. Even so, this is an amazing record, and the Finance Committee recommends that the bill be passed, so that the long process of arranging to put it into full force and effect may be started by the Treasury, State, and Commerce Departments as well as the other agencies which are awaiting the opportunity to make effective this much-needed modernization of our import classification system.

I want to say just a word about these few remaining problems which we believe can be satisfactorily resolved under procedures established in the bill. Further consideration of these items is taking place, and it would appear to be in the best interests of the country as a whole for the implementing legislation to be enacted without delay so that the President and the interested agencies of the Government can begin the tedious process of putting these revised schedules into operation.

I want also to make it clear that the bill provides for further consultation and consideration of a few matters about which questions still exist. Best estimates are that implementation will take 12 to 18 months—in other words, it will be that long before the new classifications are actually put into practice. At any time during this period corrections, alterations, compromises, or other changes may be recommended by the Commission, and these will be included in a supplemental report which the bill requires to be submitted to the Congress.

In plain language, this means that those few who may yet feel that the present Tariff Commission recommendations are not entirely equitable are not at this time being foreclosed, but their problems may be reveiwed and further adjustments made before the new classifications actually begin to regulate imports. On this basis, the committee has the strong hope that the bill may be adopted by the Senate without amendments to these classifications so that this long-needed legislation can be adopted without further delay.

I have assurance that further consideration can be given to pending complaints. In several cases the Tariff Commission has already promised further full-scale hearings and consideration.

We have had a question about the possible effect of this bill on the rights of importers and domestic manufacturers to obtain full judicial review. This doubt has possibly been raised because of the provisions of section 202 of the bill, the so-called "saving clause." This section saves the jurisdiction of the courts over protests filed by importers or domestic producers under the Tariff Act of 1930 before the new classifications replace the ones in effect when the protests were made. The report of the Ways and Means Committee, statements on the floor of the House, and the report of the Finance Committee establish the fact that the passage of the bill would not impair or affect existing judicial review. I call attention to page 5 and to page 9 of the Finance Committee report where it is made clear that nothing in the bill will affect in any way the existing full and complete review in the courts. The full review will continue in force with respect to all importations under present law as well as those under the new tariff schedules.

In conclusion, I want to thank the Tariff Commission for this painstaking and thorough job. The Commissioners, the staff, and the various agencies which have given help when needed should have the appreciation of the Congress and of the businessmen of the country. Mr. Russell Shewmaker, assistant legal counsel of the Tariff Commission, has spearheaded the project and to my knowledge has been most patient and has worked untiringly many extra hours because of the urgency of this project.

Madam President, I urge the adoption of the bill; and in connection therewith I offer the amendment which I send to the desk, which is in the nature of a technical amendment, and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. It is proposed to strike out lines 12 through 19 on page 4.

Mr. KERR. Madam President, the Tariff Commission, after long and careful study, sent to the Congress the package before me containing recommendations for changes in our tariff classifications. The Ways and Means Committee amended that package by inserting a paragraph providing that in certain cases, when the Tariff Commissioners were equally divided in a matter, the Commission should make changes to insure that the existing law would apply to the articles in question.

This sounds innocuous, and it has been called a technical amendment. It was not until after the bill had been reported by the Finance Committee that it was learned the amendment which had been adopted would cover only one case and that that case had already been worked out by the Commission in a compromise effected by the Commission. The Ways and Means Committee, by adopting the amendment, actually killed the compromise and therefore altered the proposal by the Tariff Commission.

The amendment would put into effect what the Commission itself had done, and with reference to which, on review, the Commission was divided three to three in passing on a change of the previous action by the Commission.

Under the bill as it came to the Senate, because of what had been regarded as a technical amendment, that three-to-three division of the Commission would kill the action previously taken by the Commission.

The effect of the amendment which I have offered, which applies to only one item, would be to restore the effectiveness of the action of the Commission, without permitting it to be nullified by the three-to-three decision on action of the Commission at a later date.

Mr. JAVITS. Madam President, will the Senator yield for a question?

Mr. KERR. I yield.

Mr. JAVITS. The Senator spoke of one item. Would the Senator give us a statement as to what is that item?

Mr. KERR. I shall do that.

Mr. JAVITS. Very well.

Mr. KERR. As I stated before, if we should not adopt the amendment I have offered to strike the language, the law would be certain, by reason of the technical amendment added by the Ways and Means Committee. The supplemental studies by the Tariff Commission which I have just explained would not apply, and it would be too late to correct what I think would be an injustice to a new and budding domestic industry.

I believe that what I am about to say relates to the question of the Senator from New York.

Our watchmaking industry has been diligently working out plans for a new type of watch, called the electronic watch. I do not know just how it will operate, but I do know that much research has been done and much money spent to perfect this new timepiece. Just where in our tariff classification this item should be placed was the cause of the one and only division among members of the Tariff Commission.

A compromise was arrived at with respect to the electronic watch and that compromise would be made effective by the amendment I have sent to the desk. Therefore I ask for its adoption.

Mr. JAVITS. Madam President, will the Senator yield?

Mr. KERR. I yield.

Mr. JAVITS. I merely wanted to make sure that the item to which the Senator referred was not the item in which we were interested. If the Senator wishes the amendment to be acted upon at this time, that is agreeable to me.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma.

The amendment was agreed to.

Mr. JAVITS. Madam President, will the Senator yield further?

Mr. KERR. I yield.

Mr. JAVITS. My colleague [Mr. KEATING] and I are interested in an item technically described as face-finished hardboard. Its more normal description is tempered and painted hardboard. I believe we have satisfied ourselves with respect to that subject through discussion with the Senator in charge of the bill. However, I should like to place in the RECORD the necessary answers to the questions asked by my colleague and myself. In order to save time, my colleague has kindly consented to let me ask the questions.

The main problem we raised was that a compromise rate of duty which would apply to both face-finished and non-face-finished hardboard would, for practical purposes, bring about an increase in the ad valorem duty on face-finished or oil-treated hardboard of a certain type. Hence those who employ that kind of material felt they would be adversely affected.

In a letter dated April 13, 1962, we were informed by the Chairman of the Tariff Commission that, in view of the way in which the bill would operate—it is prospective in its operation—there would be, first, consideration of any problems such as the one raised with the Tariff Commission, which again may make reports; and the final schedules would not be published by the President until there had been an opportunity to consider questions of the kind that my colleague [Mr. KEATING] and I have raised. We have also been assured by the Commissioner in the letter as follows:

> The Commission is most anxious that the proposed tariff schedules carry out the purposes of the tariff classification study without adversely affecting any of the interested parties, whether they be domestic producers or importers. In the interest of assuring the accomplishment of this result for the proposals with respect to face-finished hardboard, the Commission will be pleased to review such proposals under the procedure set forth in section 101(b)(4), and you may be assured that steps will be taken to effect such a review as soon as practicable after enactment of H.R. 10607.

Mr. KERR. With reference to the item which the Senator has mentioned, the committee went to the extent of asking the Tariff Commission for such assurance with reference to further consideration of the particular item as the Commission gave to the Senator in the letter from which he has just read.

Mr. JAVITS. I am very grateful to the Senator. We have been advised by the Chairman of the Commission that—

> The Commissioner proposes to hold a full scale review of the hardboard situation, including hearings at which all interested parties will be heard; and that following these further studies, the Commission will issue a supplemental report, and the Congress will then have an opportunity again to take up any differences that remain.

The two questions that I wished to ask the Senator are as follows:

First, is the Senator satisfied that the method of procedure described is entirely within the compass of the bill as the Senate is expected to pass it today?

Mr. KERR. Yes. That is the situation, not only because of the difference of opinion with reference to the classification of the particular kind of hardboard to which the Senator has referred but also because of a similar situation existing with respect to a limited number of other products.

Mr. JAVITS. The second question is as follows: The Senator has stated that the committee is prepared to undertake the necessary action based upon the report of the Tariff Commission, should it have any different view after the proposed hearing.

Mr. KERR. Both the Ways and Means Committee and the Finance Committee are committed; and the bill provides that an additional report shall be made to the Congress.

Mr. JAVITS. I express my appreciation to the Senator from Virginia [Mr. BYRD] and the Senator from Oklahoma [Mr. KERR] for their typical graciousness and consideration. It was upon that ground and those assurances that my colleague [Mr. KEATING] and I were satisfied to go along with the bill today. I thank the Senator.

The PRESIDING OFFICER. The bill is open to further amendment. If there is no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H.R. 10607) was read the third time, and passed.

Mr. KERR. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HUMPHREY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICAN MISSIONARIES IN AFRICA

Mr. PELL. Madam President, I rise at this time to pay a public tribute to the debt that is owed by the Western World to our Christian missionaries and the education they have offered in Africa and to say, "God bless our missionaries." Until I had made a recent trip to Tanganyika, I had always given a very long look at the activities of missionaries since I was under the impression that they were often disliked by the people of the emerging nations and regarded by them with great suspicion.

However, my trip to Africa deeply impressed me with the great educational and medical contribution made by missionaries there. In Tanganyika alone, I found that there were 400 American Christian missionaries, or 20 times the number of American Government personnel in that country. In fact, in tropical Africa as a whole, there are close to 10,000 American missionaries. This is a number more than a thousand percent higher than the 778 American Government personnel there.

Or, another way of looking at it, and an even more impressive figure, is the realization that there are 23,000 missionaries of all nationalities, including Americans, in tropical Africa, approximately 6,440 Catholic and 15,970 Protestant.

These dedicated men and women may handle very high caliber education as is the case with the Angelican St. Andrew's School outside Dar-es-Salaam, Tanganyika, where the graduates are able to compete on an equal basis with youngsters finishing the best English schools at home. Or, as is the case with the majority of missionary schools, the education may be more simple and elementary, giving the students a basic knowledge of reading and writing. But, no matter what may be the particular level of missionary education in Africa, without it that continent would be undergoing far greater turmoil and internal strife than is now the case.

In this connection, it is interesting to notice that 16 heads of state and prime ministers of the newly emergent nations of tropical Africa received their education in full or in part in missionary schools. In fact, with only a single exception, every head of state or prime minister in tropical Africa who is not a Moslem was educated to some degree in a Christian missionary school.

This is, indeed, a startling fact and is highlighted by a report prepared for me by the Library of Congress, which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EDUCATION OF HEADS OF STATE AND PRIME MINISTERS IN TROPICAL AFRICAN COUNTRIES

Cameroon: President Amadou Ahidjo, Moslem and secular schooling.

Central African Republic: President David Dacko, Catholic mission school in Congo.

Chad: President Francois Tombalbaye, born to Protestant parents in Moslem area. Some Protestant schooling assumed.

Congo Republic (Brazzaville): President Abbe Fulbert Youlou, ordained and defrocked Roman Catholic priest.

Republic of the Congo (Léopoldville): President Joseph Kasavubu, Catholic mission education to seminary. Premier Cyrille Adoula, Catholic mission educated.

Ethiopia: Emperor Haile Selassie, educated by private European tutors, and in Catholic mission school. Titular head of the Ethiopian Coptic Church.

Dahomey: President Hubert Maga, Catholic mission education.

Gabon: President Leon M'ba, Catholic mission education.

Ghana: President Kwame Nkrumah, Catholic mission education.

Guinea: Premier Sekou Toure, Koranic and secular education.

Ivory Coast: President Felix Houphouet-Boigny, presumably elementary Catholic mission education followed by extensive secular education in France.

Liberia: President William V. S. Hubman, Protestant (Methodist) education.

Malagasy (Madagascar): President Philibert Tsiranana, possible elementary Catholic education followed by secular schooling.

Mali: President Mobido Keita, secular and probably Koranic schools.

Mauritania: Premier Moktar Ould Daddah, Koranic and secular schools.

Niger: President Hamani Diori, Koranic and secular schools.

Nigeria: Governor General Dr. Nnamdi Azikiwe, Protestant mission schools. Prime Minister Alhaji Sir Abubakar Tafawa, Koranic and secular schooling.

Senegal: President Leopold Senghor, Catholic mission and secular schooling.

Sierra Leone: Sir Milton Margai (President), Protestant mission schooling.

Somalia: President Adan Abdulla Osman, Koranic and secular schooling. Premier Abdirashid Ali Sharmarkay, Koranic and secular schooling.

Tanganyika: Prime Minister Rashidi Kawawa, apparently Koranic and then secular schooling. (Julius Nyerere who resigned in early 1962 was educated in Catholic mission schools. Nyerere remains the strongest political figure in Tanganyika.)

Togo: President Sylvanus Olympio, Catholic mission school.

Upper Volta: President Maurice Yameogo, Catholic mission schooling.

Mr. PELL. Madam President, in fact, of the 27 men listed in this report dealing with the heads of state and prime ministers for 23 countries, 17 received Christian missionary education at one stage of their career. Of the 23 heads of state alone, 16 received Christian missionary training. The remaining men, it is to be noted, are in all cases Moslems. Put the other way, every single man listed in the report other than the Moslems was educated to some degree in Christian missionary schools.

Among the total educated in mission schools, 14 attended Catholic mission schools, and 4 Protestant mission schools. Among the heads of state alone, 12 received Catholic schooling and 4 Protestant.

Moreover, in those countries not yet independent, we find the leaders equally owe their education to missionaries as is shown by the attached list, which I ask unanimous consent to insert at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EDUCATIONAL BACKGROUND OF LEADERS IN EMERGING AFRICAN STATES

Angola: Holden Roberto, chairman of the rebel UPA, was educated in Protestant mission schools. Mario de Andrade, president of the rival MPLA, educated in Catholic mission schools.

Kenya: Jomo Kenyatta, probably the President of independent Kenya, was educated in Protestant (Church of Scotland) schools. Tom M'boya was educated in Catholic mission schools.

Nyassaland: Dr. Hastings Banda, president of the Malawi Congress Party and the leading African figures, was educated in Protestant mission schools.

North Rhodesia. Kenneth Kaunda, president of the United National Independence Party, and apparently the strongest African figure, was educated in Protestant (Church of Scotland) schools.

South Rhodesia: Joshua Nkomo, president general of the National Democratic Party and in a sense the "elder" African politician, received a secular education.

Uganda: Benedicto Kiwanuka, chief minister of provisional government to receive internal autonomy in March 1962. Educated in Catholic missions through secondary level.

Mr. PELL. Madam President, among the eight men in six territories included in the table of emerging African States seven were educated in Christian missionary schools. Three of these attended Catholic schools and four attended Protestant schools. The remaining individual, Mr. Nkomo of South Rhodesia, was educated in South Africa where secular schools have been more widely established.

Putting the tables together, a total of 35 men are included. Of these 35, Christian missionaries educated 25; Catholic missionaries educated 17; and Protestant missionaries educated 8.

It is obvious, Madam President, that we owe a great debt to the missionaries. These figures to my mind are highly significant and they mean that, without our missionaries, the nations of Africa would have been much more poorly equipped to join the family of nations and conditions would be far less stable in Africa than they are.

JAMES M. NORMAN

Mr. HUMPHREY. Madam President, I move that the Senate proceed to the consideration of Calendar No. 1233, H.R. 1361.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 1361) for the relief of James M. Norman.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to; and the Senate proceeded to consider the bill.

FARMERS HOME ADMINISTRATION

Mr. HUMPHREY. Madam President, the Farmers Home Administration—originally the Farm Security Administration—was established in the thirties to help farm families buried under the distresses of the great depression again find a place in the sun.

It looked upon the people it served as living, breathing, thinking, working contributors to the general welfare—not as byproducts of a crop surplus.

Its basic tools were concern, credit, and a system of supervision that respected personal dignity. The results of its efforts are reflected, even now, in thousands of farm families who recognize they could not have survived on the land without the cooperation of this agency of Government.

Nearly three decades have passed since the depression put its greatest weight upon our society. Yet, in the face of comparative general prosperity, a financial blight afflicts much of the agricultural sector—due largely to our failure to equitably manage the Nation's food abundance and failure to keep the social and economic advances in step with rapid technological progress.

Unfortunately, for 8 long years the tools of the Farmers Home Administration, largely because of misuse and misdirection, were allowed to rust. There was a day, during those 8 years, when a statement of official satisfaction came out of the Department of Agriculture accompanying statistics showing the disappearance of a million and a half farms. This disappearance was described as good because it brought physical resources into balance. There was no mention of human resources. It is that phase we must consider now.

It would be indeed tragic if we put ourselves into the position many other nations find themselves in—where a redistribution of the rewards of production must have its start in a redistribution of the land itself.

So I am proposing that we take a fresh look at the Farmers Home Administration and make it a well-financed tool for the fight on human misery and for the maintenance of family farms that make maximum contributions to the physical, social, economic and spiritual welfare of the whole of the society.

During the past year this Agency has begun to come back into its own.

In connection with the second supplemental appropriation bill I requested that at least $100 million in additional funds be made available. That request was made by letter to the Committee on Appropriations. I am happy to say that we appropriated $50 million in the second supplemental appropriation bill. I am hopeful that in conference between the two Houses that sum of money will be maintained. These are not appropriations which are expended. These are amounts of money that are made available by loans, with interest, and upon which the Government earns a profit and a fair return.

Armed with new authorities, some additional funds and a leadership that is bound and determined to serve those who are most in need—the agency is beginning to make its mark.

And the people it serves are once more gaining spirit for the struggle at hand and hope for a brighter future.

The response from the people has been overwhelming.

Even though the new authorities given to the Farmers Home Administration by the 87th Congress were only placed in effect a few months ago—mid-October to be exact—the applications for services are running about 70 percent ahead of last year. And this is only the beginning. There are thousands of farmers who are not aware that this service exists. There are even larger numbers who were pushed aside by the administration in power for so many years in the past that they are convinced that the Government—their Government—is against them.

Congress showed commendable foresight in rearming the Farmers Home Administration last year with modern, up-to-date authorities. Practically all of the strings that had been hampering its actions have been cut. The agency can now serve the full range of family farmers instead of a narrow band of this group of farm people so essential to our national welfare. But unfortunately the funds for the Farmers Home Administration are still too limited.

What are the problems, the needs our people are bringing to the Farmers Home Administration in 1962 that require additional funds?

Many have bought farms on contracts with terms and conditions they cannot meet because of an economic situation not anticipated at the time of the purchase. Others have been caught in the cost-price squeeze and have accumulated operating debts that are forcing them to the wall.

Others need additional acreage to make their farms go, or need land or building improvements to achieve maximum efficiency.

Still others—and these are of major importance to all of us—are young farmers who have an opportunity to buy a family farm to take over the operations of a retiring farmer but lack the equity required for a conventional loan.

For families with these problems, I propose that Congress authorize the

Farmers Home Administration to lend $200 million during fiscal 1963.

There are other farm families who need financial help in the development of water resources. These include irrigation facilities that will eliminate major growing season risks and farmstead water supplies for livestock production and home sanitation.

Some water resources can be developed on an individual basis; others require cooperative action by farmers and rural residents in a neighborhood. For this assistance, I propose that the agency be authorized to lend $100 million during the coming year.

In the third—and probably the largest—category of farmers who must turn to the Farmers Home Administration for credit they cannot obtain from other sources, are those who would achieve financial stability through the purchase of additional livestock or by replacing wornout machines or spreading fertilizer or by acquiring other essentials for modern farming operations. For these farm-operating loans I propose that Congress authorize $500 million.

With almost 3 months remaining in this fiscal year, FHA operating loan funds are nearly gone. The Senate Appropriations Committee is reporting the second supplemental appropriations bill, as I said before, included a $50 million appropriation for FHA operating loans to meet the critical credit needs of farm families during the next few months. I am extremely hopeful that the conferees will leave this item in the bill.

In total, this is three times as much as was available to the agency during the current year. But it still represents but a small part of the credit that will be used by farmers; and it demonstrates that we have lifted our eyes from the ground and are facing up to a significant phase of the total farm problem.

Along with increased funds, Congress should expand the Farmers Home Administration's manpower. There are several reasons for this.

Perhaps the most basic reason lies in the function the agency performs. Because it is primarily concerned with people the credit function is secondary to its main activity, which is advising and counseling the farm families it serves in all the matters that affect their economic well-being. This supervision, this guidance, this personalized service encompass all the families' major economic problems.

The field service officers of the Farmers Home Administration help with farm management and with money management; they advise as to debt problems, give help with medical care, work with the families on education, marketing, community participation, and all the allied matters that go with rural farm life.

They bring to these discussions the specialized knowledge and experience of 28 years of working with families who have had, for one reason or another, problems of such a magnitude that the ordinary avenues for overcoming these problems are closed to them.

As a result, the advice and guidance given is as important as the loan funds provided. One could not serve its purpose without the other.

To give the agency more funds to lend, without giving it additional personnel, would be to filter out the full effect of the funds.

There is another basic reason for expanding the agency's staff. Through the years, the staff has been diminished until now it has personnel in less than half of the agricultural counties. Where it once had rather sizable staffs in counties where the need was greatest, rarely does one now find more than one trained specialist in an office.

In a way, it is a rather bitter comment on the distorted attitude of recent years to note that the Farmers Home Administration is practically the only agency of the Department of Agriculture that has shrunk in size.

As a result of this pulling back, large segments of the country are without any service coverage.

To restore this program to nationwide coverage and to give it the strength in depth that it needs in the areas of greatest concern, I suggest that Congress appropriate for fiscal year 1963 $70 million, or approximately two times the amount available for 1962.

In addition to the services mentioned a moment ago, the Farmers Home Administration is involved in a number of other services which have the same basic objective.

The rural part of the housing program is handled by this agency.

I see great things in store for rural people with the housing program being administered under an enlightened leadership. The Housing Act of 1961 expanded the benefits to anyone residing in a rural area. This is a great step forward. We are beginning to see people instead of bureaucratic lines.

A total of $430 million was authorized by the Housing Act of 1961 for the rural housing loan program, to be expended over a 4-year period. The FHA was given $75 million for fiscal 1962, and these funds already have been used in making approximately 9,000 loans. Secretary Freeman recently announced that the FHA has now received an additional $20 million in rural housing loan funds for the remainder of fiscal 1962. I commend the Secretary for his action in releasing these badly needed funds.

The agency is also tied directly into the rural areas development program. In fact, it is the heart of the program—at least in depressed areas. For how else can low-income farm families make the most of what they have, and acquire the additional resources they need?

I mentioned earlier that the 87th Congress has greatly improved the services of the Farmers Home Administration. But I can see new programs that will further strengthen and develop the assistance this agency can render to the underdog in agriculture.

For example, it is necessary to have some additional methods of making available to small farmers the resources they need most—land. This could be done by helping them to establish associations, like grazing associations, that would lease or buy land for the use of groups of small farmers, or we could authorize the Farmers Home Administration to purchase large tracts as they come on the market and return these tracts in family size sections to individual farmers.

The President, in his farm message, spoke of a rural renewal program that might encompass loans and technical assistance to local and rural renewal groups. These groups might be one method of getting land resources in the hands of family farmers. For they would acquire land and then resell it to family farmers in a manner that would both conserve the soil and meet the needs of the people.

I am also most enthusiastic about the emphasis the President has placed on developing recreational and other facilities in rural areas.

I note that in proposed legislation that has been already introduced at this session the Farmers Home Administration would be empowered to make loans to individual farmers and to associations for the development of recreational facilities.

We need also a freer use of grant funds. They are already authorized in emergency situations in farm housing. We should also have them available in support of all of the lending activities of the Farmers Home Administration. In some instances they would serve as a means of exploring certain possible solutions, as in the test drilling of wells in the West. In other instances they would bridge the narrow gap between what a family could repay, and what they needed, in the way of financial aid.

We also need to give the Farmers Home Administration more freedom in exploring any road that opens up and appears to lead to a successful way of helping a group or even an individual farm family make a decent living.

I am not thinking of anything grandiose in this field. But I cannot help thinking of the millions we have placed into other types of research—and with good results. But on the same basis why can we not allocate a much smaller amount to this living laboratory in human endeavor so far as the small farmers, the poor farmers, the farmers who have come up with the short end of the stick in agriculture, are concerned.

Backing up this research in human endeavors to solve rural poverty we need to authorize the actual development, on a limited scale, of any feasible ideas that evolve from the drawing tables. We need to be able to develop prototypes, so to speak, of any institutions, services, or other devices that might help low-income farm families. We do this in our probing of outer space, why not also do it in our probing of inner space problems?

We also need to authorize the Farmers Home Administration to explore the possibilities for helping elderly rural people work out a satisfactory solution to a means of livelihood in the final years of their lives.

Within its present authorities the agency can do a great deal in helping

its borrowers so plan their farming activities that they have access to as many resources as they choose to handle in their declining years. But there is a big field here for further assistance if it can be attacked with imagination and vigor and a reasonable amount of funds.

There are numerous alternatives that must be explored. There are certain advantages to enabling the aging to have access to a loose knit rural community—loose knit in the sense that it still has enough open land and even cultivated land to give them a feeling of continuity with that which they have known all their life, but enough of a community so that medical care facilities could be close at hand. On the other hand, with visiting nurses it might be possible to devise ways and means to enable many farmers and their wives to spend the last, and the best, years of their lives on their own farms, near their children, with a large degree of independence, but still protected by ready access to the community facilities they need.

All these possibilities need to be explored.

The programs of land tenure, of research, of aid to the aging, are all areas that need to be explored. The Farmers Home Administration is ideally suited to the job.

The benefits of an expansion of the activities of this agency along the lines I have described are many:

First. First and basic is the fact that any move the Farmers Home Administration makes, by the very position of the people it works with, is an attack on underemployment and rural poverty.

Second. The skills and tools held by and available to the Farmers Home Administration are admirably suited to helping young farmers get started on their own.

Third. The program of the Farmers Home Administration builds communities. Many rural communities are dying. Hundreds have already disappeared. Each time a community shrinks, the people suffer. The work of the Farmers Home Administration gains in significance when you note that it helps not only farm people but by increasing their incomes enables them to support their towns and the people within those towns.

Fourth. The program of the Farmers Home Administration helps to hold down the size of the ranks of the unemployed in urban areas. When it does this, it helps to hold down the rate of delinquency, and misery, and all the other evils that come from the poverty-stricken groups in our metropolitan areas.

Fifth. The program of the Farmers Home Administration helps to guarantee that we will be able to feed the millions of additional mouths that will be a part of the world population in the year 2000. For the agency's program brings stability and strength to our farming economy.

Sixth. The program of the Farmers Home Administration is a wonderful demonstration for underdeveloped countries of the world to see and examine, not only as a demonstration of ways and means that they may be able to adapt to their own uses and benefit, but also as a demonstration of how a democratic country feels about its people and their problems—of how people come first.

Seventh. The program of the Farmers Home Administration is an aid to production control. The agency builds family farms. Family farms are flexible in their operations and can shift from one farming system to another in accordance with the needs of the times. Corporation farming with its heavy investment in a specialized farming system is inflexible.

Eighth. The program of the Farmers Home Administration perpetuates the family farm—the ideal type of relationship between man and the soil. This ideal is a part of the American heritage. The family farm is the foundation of rural American economic, social, and political institutions.

Ninth. The loan program of the Farmers Home Administration is self-liquidating. The money the agency lends is repaid with interest. Losses are negligible. Even the cost of administration is offset, so far as the national economy is concerned, by the substantial gains made by the families it assists. These families contribute to the national economy in a threefold manner: As producers, as consumers, and as taxpayers. In each of these three respects their contributions are substantially heightened by the progress made with the aid of supervised credit assistance.

Tenth. The contributions the Farmers Home Administration is making to welfare of farm families and the far greater contribution the agency could make—given the means to do it—are functions no other agency can perform.

Conventional credit agencies are unable to serve the farm families reached by the Farmers Home Administration. Agencies with educational programs can be extremely helpful in many ways, but they lack the ingredient that brings paper plans into reality—the financial assistance that is an integral part of the Farmers Home Administration's system.

In summary, let me point out that in the form of this agency we have an extremely powerful force that can help hundreds of thousands of our rural people move up to a status that is rightfully theirs. In this agency we have an approach that places the emphasis where it belongs—on people.

Measured in the true sense, our family farmers are the most efficient and the most needed, and they make a major contribution to our Nation.

They must be given an opportunity to overcome the risk and forces beyond their control if we are to maintain our greatest national heritage. And this must be done today; tomorrow would be too late.

So many of our rural people have been pushed off the land, gobbled up, and discouraged, that I raise the question, Have we already passed the point that should never be passed if we are to preserve our agricultural strength?

Are there in the United States today areas where there are not enough farm people to properly maintain a sound diversified agricultural economy?

Madam President, these are thoughts I think we should ponder. Let us not delay. We need to move now, if we are to keep rural America alive.

Madam President, I want the record clear, as I submit statistical tables which I now ask unanimous consent to have printed in the RECORD. They relate to the operating loans of this program.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Actual number of signed applications for initial operating loans on hand Jan. 31, 1962, estimated number of such applications to be received Feb. 1 through June 30, 1962, and estimated amount of applications, selected States

State	On hand Jan. 31, 1962		To be received Feb. 1–June 30, 1962		Total	
	Actual number	Estimated amount needed	Estimated number	Estimated amount needed	Actual and estimated number	Estimated amount needed
Alabama	769	$2,083,221	1,279	$3,464,811	2,048	$5,548,032
Arkansas	597	2,936,046	1,222	6,009,796	1,819	8,945,842
Colorado	247	2,829,632	286	3,276,416	533	6,106,048
Georgia	574	3,326,330	745	4,317,275	1,319	7,643,605
Idaho	384	3,315,456	517	4,463,778	901	7,779,234
Indiana	175	1,487,150	599	5,090,302	774	6,577,452
Iowa	622	5,764,696	1,051	9,740,668	1,673	15,505,364
Louisiana	501	2,443,878	664	3,238,992	1,165	5,682,870
Minnesota	453	3,952,878	1,798	15,689,348	2,251	19,642,226
Mississippi	794	2,885,396	1,844	6,701,096	2,638	9,586,492
Montana	242	2,807,926	360	4,177,080	602	6,985,006
Nevada	48	447,360	65	605,800	113	1,053,160
New York	317	$3,558,008	785	$8,810,840	1,102	$12,368,848
North Carolina	800	2,656,800	1,313	4,360,473	2,113	7,017,273
North Dakota	424	4,108,136	1,090	10,561,010	1,514	14,669,146
South Carolina	465	1,024,860	1,166	2,569,864	1,631	3,594,724
South Dakota	218	2,444,652	464	5,203,296	682	7,647,948
Texas	1,051	7,754,278	1,422	10,491,516	2,473	18,245,794
Utah	163	1,324,538	267	2,169,642	430	3,494,180
Washington	234	2,222,298	445	4,226,165	679	6,448,463
Wyoming	80	830,400	161	1,671,180	241	2,501,580
Total	9,158	60,203,939	17,543	116,839,348	26,701	177,043,287
Total, all States	13,691	90,772,825	30,000	199,635,079	43,691	290,407,904

NOTE.—This table reflects the estimated need for operating loan funds in excess of the present appropriation.

Mr. HUMPHREY. Madam President, I wish to note for the RECORD that the program of the Farmers Home Administration is not a giveaway program. Although it offers many services to the farm people, in terms of supervised credit, education, health, and better land use, the Farmers Home Administration is essentially a businesslike operation by the Government. So, for the life of me, I cannot understand why the Government in its budgetmaking insists on treating such loans as if they were expenditures. As a matter of fact, any banker who did that would undoubtedly be dismissed for utter incompetence or would be assigned to a mental institution. The truth of the matter is that loans help put capital to work, and they put it to work at interest; and these are interest-bearing loans which have been repaid and are being repaid. Not only do they return a profit to the Government, but they also make great profits for the communities.

The Farmers Home Administration has literally saved hundreds of communities throughout the Nation, by making available long-term credit, medium-range credit, and short-term credit for farm operators and farm producers, thereby making it possible for them to be consumers as well as producers in a growing economy.

So, Madam President, from their point of view, the Farmers Home Administration, like the Small Business Administration or like the Federal Housing Administration, these great loan programs of our Government—makes money for the Government. Of course, that should not be its primary purpose. But, in addition, and most importantly, it contributes to the health, the strength, and the prosperity of the American economy.

However, for some peculiar reason, because of some old-fashioned notion, whenever money is made available for loans from the U.S. Treasury, it is called an expenditure, and is so listed, for the American public to see. Yet, when one borrows money from a bank—thus making loans available from the resources of the bank—the bank calls it a credit, not a debit, and says that is doing business. After all, that is the way bankers get rich and that is the way the bank depositors are paid interest on their deposits. Yet the Government completely negates that theory, when handling Government financing.

Certainly it is time for Government financing to be brought out of the 18th century and into the 20th century. When that is done, we shall find that these loan programs make major contributions to the health, the well-being, and the prosperity of the Nation, and at the same time they are not any drain whatever upon the Federal Treasury or the taxpayers.

FINAL SETTLEMENT OF WAR CLAIMS PROBLEM URGED

Mr. KEATING. Madam President, there are on the Senate calendar two bills which are a reminder that Congress has not yet completed action on a program for disposing of some $600 million in enemy assets vested in 1942 as a war measure. It was anticipated that one of these bills might be brought up today; but I understand it is not now the intention of the leadership to call it up.

However, Senate bill 495, as proposed by its sponsors to be amended, would terminate the vesting program insofar as copyrights, future interests in estates, trusts, and similar property rights are concerned. But it would by no means settle the long neglected war claims problem.

The guidelines for a final settlement were long ago determined by treaties, statutes, and other precedents. In brief, we agreed with our wartime allies, except Russia and Poland, and with the Federal Republic of Germany and Japan that the vested assets of our former enemies would be retained and used to pay compensation to Americans who suffered property losses in the European and Pacific war theaters. At the same time, the allies renounced claims for reparations from the Axis Powers, which could have amounted to many billions of dollars; and Germany and Japan agreed to pay compensation to their own nationals, for the vested property.

In 1948, a war claims bill was enacted. It expressly prohibited the return of vested property to the former German and Japanese owners, and established a number of programs under which payment would be made out of these assets to American wartime internees, prisoners, and certain religious organizations. Later—in 1949—we enacted an International Claims Settlement Act, which has since been amended several times. Under this act we have used the liquidated assets to pay for wartime losses attributable to Italy which occurred in Italy, Greece, Yugoslavia, Albania, France, North Africa, and on the seas. The same act also provided for payment out of vested assets for nationalization claims of Americans against Hungary, Rumania, Bulgaria, Czechoslovakia and Poland In all, under these different programs, more than $200 million has been paid to Americans, out of the assets vested during World War II.

These acts go part of the way toward compensating Americans for the losses they suffered as a result of World War II. They reflect the agreements we made not only with our allies, but also with our former enemies, with regard to the use of the vested assets. But they have one glaring shortcoming: They make no provision whatever for losses which Americans suffered as a result of military operations in Germany and Japan and contiguous areas.

There is no difference whatever between a program for compensation for such losses and any of the other programs which have been enacted. A powerful lobby and the determined opposition of a few men—not any matter of principle—are all that distinguish a settlement of claims against Germany from the settlement of claims against Italy, Bulgaria, Rumania, and other countries.

Attempts to enact a German and Japanese war-claims program have been stymied for more than a decade. It is now 16 years since the end of World War II. This is too long to ask any American to wait for fair treatment from his Government. Every day's delay prolongs the period of injustice and compounds the administrative and legal problems involved. If more people were aware of the situation, there would be a national outcry in protest against the failure of Congress to act. The situation is intolerable; and, in my opinion, any further delay in settling this issue would be shocking.

Unfortunately, the prospective beneficiaries of a German war claims bill are not organized into powerful lobbies. They are, in the main, too old and poor and discouraged to give voice to the disappointment and despair which they feel. We are doing them a grave injustice by not giving attention to their cause and expression to their rights.

I have heard from many of these poor souls—men who served in our Armed Forces, widows who have been forced on relief, children whose inheritances were destroyed—a small army of beleagured Americans who have been made to suffer a wholly unfair burden because of our failure to act. Their letters would stir the conscience of every Member of this body and spur the same determination which I feel to relieve their plight.

The other pertinent bill pending on the Senate Calendar (S. 2618) would allow the filing and adjudication of claims against Germany and Japan, but makes no provision for their payment. It has been pending on the calendar since the last session of Congress, but no assurance has been given that it will ever be called up for consideration. Apparently, some of those who supported even this halfhearted approach reluctantly are so fearful that desirable amendments would be accepted by a majority of the Senate that they refuse to allow the bill to be debated.

I believe a majority of the Senate would support the amendments needed to make S. 2618 meaningful and equitable. But it is wrong to deny the Senate an opportunity to work its will on this issue. I hope that before this session is much older, the opposition will relent or be overcome, and this problem will be openly considered.

When S. 2618 was reported to the Senate, the Senator from Michigan [Mr. HART] and I joined in individual views in which we outlined the amendments which would be needed to make this an adequate bill. These amendments are now in legislative form, and we have asked other interested Senators to join in their cosponsorship. This is a wholly bipartisan effort, and there are many Senators on both sides of the aisle who are deeply concerned. We are ready to act whenever S. 2618 is called up for consideration.

The first of these amendments would provide for the payment out of vested assets of adjudicated claims. Let us face the issue squarely. Either the vested assets will be used to pay these war damage claims, as they have under other programs, or they will have to be paid for out of tax revenues. The attempt in S. 2618 to defer this question of payment is not a solution to the problem, but a tactic designed ultimately to cast

upon the shoulders of U.S. taxpayers the cost of the program. This violates every agreement, treaty, and precedent for dealing with World War II claims. Really it would mean that the American taxpayer would pay for these losses twice, first when the United States agreed to waive all reparations in exchange for the vested assets, and second, when tax moneys are appropriated to pay for the damage done by our wartime enemies. This is a preposterous proposal which will have few supporters in this chamber. Provision for payment out of the war claims fund is the only possible alternative.

Our second amendment would permit the sale to private enterprise of the General Aniline & Film Corp., a large company vested during the war because of its secret ownership by I. G. Farben. Because of interminable litigation affecting this property, it is still being run by the U.S. Government through the Department of Justice. It has been suggested that there has been favoritism and other abuses in the awarding of contracts by the corporation. But in fairness, it must be said that Attorney General Kennedy, like his predecessors in the Department of Justice, has given strong endorsement to the proposal to allow the Government to get out of this business. Every interested organization except those representing the plaintiffs in the litigation and a small group which favors the return of all vested property, supports this same objective. The management of the company, the chamber of commerce, the AFL–CIO, the Supervisory Association of the General Aniline Corp., the International Chemical Workers Union, which represents most of the company's rank and file employees, the minority stockholders, and many veterans groups have all joined in the effort to rid this company of the dead hand of Federal management and control. If there have been abuses, if the company has not realized its full potential of growth and prosperity, Congress must certainly share the blame.

There are recurring rumors of an impending settlement of the GAF litigation. There is strong suspicion that some of these rumors are deliberately spread by interests speculating in the stock of the company, although one such report was traceable to some unfortunate press conference remarks of a new U.S. Ambassador. Of course, there have been some negotiations for settlement in the almost 14 years during which the GAF litigation has been pending. However, I can report authoritatively that these negotiations have failed and there is no prospect for a settlement of this suit. There is no possibility of our Government ever agreeing to a return of this property to I. G. Farben or any other foreign interests. Delaying this matter of sale, therefore, does not do anyone any good and is causing tremendous harm to the company and its thousands of employees, which could do much better under free enterprise than under Government ownership.

Our third amendment would permit a lump-sum settlement in the amount of $500,000 of all claims of so-called successor organizations for the return of heirless property vested during the war. This is property that could not be returned to German nationals who had been subjected to persecution on grounds of race, religion, or political belief during the Hitler regime. Since many of these persons perished in concentration camps and gas chambers without any heirs, Congress enacted legislation in 1954 allowing this property to be used for the relief and rehabilitation of needy surviving persecutees in the United States. Originally a ceiling of $3 million was established. A bulk settlement of $500,000, such as is proposed, is eminently fair and is urgently required if this relief and rehabilitation program is to continue.

Mr. JAVITS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. PELL in the chair). Will the Senator yield?

Mr. KEATING. I am very happy to yield to my colleague.

Mr. JAVITS. I am pleased to hear my colleague make this plea for action in this matter, with which I have been associated for a long time. I know how urgent is the need, and I interrupt only long enough to join with my colleague in his urgent request that action is long overdue, and that it represents very elemental—and I think most limited, in terms of money—justice to people who have been sadly put upon. I am indebted to my colleague for raising the question.

Mr. KEATING. I appreciate the comments of my distinguished colleague, and I know of his great interest in the amendment and the problem, about which he has been concerned for a long time. It is a problem which really appeals to the fairness and the human instincts of everyone.

The fourth amendment of the Senator from Michigan [Mr. HART] and myself would simply make the war claims bill applicable to Americans who suffered losses in Hungary. Such claims have been omitted from earlier war claims bills only because of the assumption that compensation would be provided under the International Claims Settlement Act. In actual fact, the Hungarian vested assets were insufficient to pay more than 1 percent of awards over $1,000, which no one would consider fair compensation. The amendment we will offer would allow additional compensation to be paid on these claims, but the total amount could not exceed the percentage paid under the Rumanian claims program, the area for which the next lowest recovery has been realized.

These four amendments have the strong endorsement of the administration. Similar proposals considered in the 86th Congress had the equally strong endorsement of the prior administration. All four amendments are reflected in bills already approved during this session by a subcommittee of the House Interstate and Foreign Commerce Committee. From advice I have received, I would expect the full committee to act favorably on these bills in the very near future. It is apparent that those who have given this matter objective and thorough study recognize the merit in our amendments. I know that the complicated and technical nature of this subject has handicapped a wider understanding of their significance and that is why I emphasize the uniform support they have received from men in Government in both administrations who are expert on the subject. But let me emphasize also that when the technicalities are removed it is evident that what is involved is simply whether we are going to carry out agreements and commitments long ago made to pay Americans the losses they suffered during the last world war.

The only one of our proposed amendments which does not have the backing of the interested Government departments is the amendment to permit all Americans on the date of enactment of a war claims program to participate in its benefits. The arguments against this proposal are grounded on considerations of international law. These considerations, in my opinion, are of dubious validity. But apart from that, this is not a matter which should be decided on the basis of international law but rather on the basis of our own laws and policies. Our laws have never sanctioned a distinction between Americans based on the date of their naturalization. As Americans, we instinctively reject any such division of our fellow citizens as discriminatory and indefensible. There may be first- and second-generation Americans, but there are no first- and second-class Americans. The concept of junior citizenship may be recognized in international law, although I doubt it; but this is no justification for recognizing any such concept under whatever domestic legislation we enact to carry out a war claims program.

The point I am making is well illustrated by the background of S. 495. The principal purpose of this bill, as it is proposed to be amended, is to divest all rights and interests of individuals in copyrights and estates, trusts, insurance policies, annuities, remainders, pensions, workmen's compensation and veterans benefits which have not become payable or deliverable prior to the effective date of enactment. There is no distinction made in this bill between later citizens and earlier citizens or indeed between citizens and aliens. This is not an oversight. Former Deputy Attorney General, now Associate Justice White, in recommending this amendment in March of this year stated, "it would, in addition, benefit all beneficiaries of these interests, regardless of whether they are citizens of the United States or whether the estates or trusts were created by a citizen or national of the United States." Nothing is plainer than the recognition this gives to the power of Congress to treat all Americans alike under war claims legislation.

One thing we certainly must not do is enact legislation such as S. 495 to divest property interests not only where Americans are concerned, but former enemy nationals as well, and then fail to enact a converse measure to allow claims to be filed by all Americans. I cannot believe

that we would follow such an inconsistent and unconscionable course when the war claims bill is before us. If we are going to set any precedents, let it be for equal treatment of all Americans.

Mr. President, I hope we shall have an opportunity in the not too distant future to discuss these principles again when the war claims bill is before us. S. 2618 has been languishing on the Senate calendar for many months. It has been resting quietly but it has not been forgotten. Let it be called up soon so that it can be strengthened and humanized and become the basis at long last of a final settlement of this long neglected subject.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 505. An act for the relief of Seymour Robertson;

S. 508. An act for the relief of John E. Beaman and Adelaide K. Beaman;

S. 704. An act for the relief of Marlys E. Tedin and Elizabeth O. Reynolds;

S. 2151. An act for the relief of Harvey Burstein;

S. 2319. An act for the relief of Harry E. Ellison, captain, U.S. Army, retired; and

S. 2549. An act for the relief of Edward L. Wertheim.

ORDER OF BUSINESS

Mr. JAVITS. Mr. President, after discussing the matter with the acting majority leader [Mr. HUMPHREY], with the minority leader [Mr. DIRKSEN], with the chairman of the appropriate subcommittee of the Committee on Interior and Insular Affairs, who has in turn conferred with the chairman of that committee [Mr. ANDERSON], and the ranking minority member of the Committee on Interior and Insular Affairs, the Senator from Idaho [Mr. DWORSHAK], it is my intention to suggest the absence of a quorum and then to ask the Senate to consider a resolution which has come to us from the other body, almost identical in form to Senate Joint Resolution 171, to provide for the establishing of the former dwelling house of Alexander Hamilton as a national memorial. The resolution is House Joint Resolution 449, as reported by the committee in the other body and passed yesterday.

Mr. President, I suggest the absence of a quorum so that Members may be informed as to the business of the Senate.

Mr. HUMPHREY. Mr. President, will the Senator yield before he suggests the absence of a quorum?

Mr. JAVITS. I yield, and withhold my suggestion.

Mr. HUMPHREY. The distinguished Senator from Oregon [Mr. MORSE] wishes to make some remarks this afternoon. I suggest we might have a brief call of the roll and then yield to the Senator from Oregon, until other Senators who may be interested in the proposal can return to the Chamber.

Mr. JAVITS. That will be fine. I suggest that it is unnecessary to have a quorum call until the Senate is ready to consider the resolution. I withdraw my suggestion of the absence of a quorum.

COMMUNITY VISITOR SERVICES PROGRAM

Mr. MAGNUSON. Mr. President, the Department of Commerce has embarked upon what is called a travel program, under the very able direction of Voit Gilmore, pursuant to a bill reported by my committee and passed by the Senate and House of Representatives last year.

The other day the Department issued a guide for a community's visitor services program, for guidance when visitors come to the United States. I think some very pertinent points are made in this publication, in respect to being good hosts and hostesses, so I ask unanimous consent that the publication may be printed in the RECORD.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

COMMUNITY VISITOR SERVICES PROGRAM

When communities hear of the new "Visit U.S.A. Program," generally their first question is: "Does this program really mean anything for us?" Definitely "Yes." Oversea surveys by the U.S. Travel Service show that our prospective visitors want to see all of America—our scenic wonders, our villages, our prairies, our industrial centers, and all the other attractions of this land that beckon them. Every community has the right to expect international visitors, depending upon its interest in receiving them and its willingness to get ready for them.

Oversea travel-promotion offices of the U.S. Travel Service are distributing literature, movies, and newspaper, television and radio features about every part of the United States. Travel agents and carriers are busy promoting tours to every part of the country.

International visitors to a community mean not only a great opportunity for increased international understanding and good will, but increased dollar income as well. Attracting and taking care of international visitors is good business.

As part of its program to encourage America to be a better host to the increasing tide of visitors from overseas, the U.S. Travel Service is glad to send its representatives to any community that wishes to discuss a "visitor services" program. The Travel Service will assist communities in planning a program to attract and take care of international visitors. Where there is no such program established, one effective way to start is for the mayor to summon a meeting of all interested in tourism to organize an active committee.

Following is a checklist of activities which communities have found helpful in starting or strengthening their program to care for the international visitor. Some ideas listed below may not be applicable to your community, owing to size or location:

1. Creation of an international visitors commission or council.

2. A survey of all present services available to foreign visitors.

3. Coordination through some central organization or committee of all civic, industrial, governmental, and professional resources interested in international travel.

4. Courtesy schools sponsored by industry for all personnel who come in contact with the general public—courtesy, service, and welcome are three musts.

5. Cooperation of travel agents, transportation officials, hotel and motel and restaurant managers, and others who provide services for international travelers.

6. Improve and promote community-area and State tourist attractions.

7. Expansion of services of organizations which already meet the needs of particular types of foreign visitors.

8. An inventory of multilingual people of the community willing to serve as translators, guides, hosts.

9. Sponsorship of international tours for foreign travel agents, travel writers, newspapermen, industrial leaders, and civic groups.

10. A program to provide opportunities to meet U.S. citizens in their homes.

11. Tours of churches, museums, art galleries, industrial plants, supermarkets, subdivisions, homes and gardens, and other points of interest to international visitors.

12. Development of group tours to ease language and cost problems.

13. Wider use of bilingual personnel by restaurants, hotels, transportation, sightseeing, and other businesses which serve international visitors.

14. An inventory of multilingual policemen. Identify their language ability by armbands and make use of their language facility by assigning them to areas with a concentration of foreign travelers.

15. Encourage restaurants and retail establishments to place signs in windows indicating languages spoken. Encourage multilingual menus.

16. Educational programs in schools, radio and TV, and newspapers to stimulate a general awareness of, and interest in, the foreign visitor.

17. Multilingual directional and informational signs in airports, piers, other transportation terminals, and at important tourist attractions.

18. Visit communities that have established successful programs for foreign travelers.

19. Sponsorship of workshops devoted to the foreign traveler.

20. Cooperate with the activities of the National Association of Travel Organizations, the National Council for Community Services to International Visitors, Travelers Aid, and similar organizations.

21. Prepare a list of interesting industrial plants which welcome visitor tours.

22. Provide convenient currency-exchange facilities.

23. Establish visitor information centers, with material in appropriate languages.

24. Obtain NATO Community Book (source: National Association of Travel Organizations, 1422 K Street NW., Washington, D.C.) and encourage hotels and motels to use "Serving the International Visitor," published by the People-to-People Committee of the American Hotel Association (source: American Hotel Association, 14th and H Streets NW., Washington, D.C.).

SEATTLE WORLD'S FAIR

Mr. MAGNUSON. Mr. President, the April 7 issue of the Nation carried an excellent article on our Seattle World's Fair which will open April 21.

The author is Lincoln Kirstein.

I believe the article will be of wide interest, and I ask unanimous consent that it be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LETTER FROM SEATTLE

(By Lincoln Kirstein)

In the coming months, Century 21 Exposition, the Seattle World's Fair which opens on April 21, will get its just and lavish due in the press. But before the massive weight of an indicated and seemingly inevitable

success swamps any hint of the trials of its inception and organization, it may be useful to indicate some of the realities behind this exemplary project. The pressures which urged its birth are not unique to our Pacific Northwest, although the physical plant which these pressures have finally determined is unique in this Nation at the present. The normal human obstructions of conservatism, apathy, and the frictions of greed and envy, which made much of the early going difficult, are universal, but the success with which they have been overcome, and fairly rapidly, are unusual anywhere. We now have many projects for culture centers all over the country, from Lincoln Center in New York, which is already partly built, to those projected for Los Angeles, Pittsburgh, and Washington, D.C. Again, however, Manhattan is an island, and its costs in land and labor are the Nation's peaks. Social, economic, and geographic insularity predicate extremely conservative possibilities. For one thing, it might have been possible in any European autocratic or socialist state to condemn the expensive block of real estate leading from Central Park West to Broadway. This would have provided an axis for Lincoln Center, a planted parade approach which is the normal setting for its key building, the Metropolitan Opera House. But the razing of property involved would be unthinkable here and now. Manhattan has not been a frontier town for two centuries; in many ways, Seattle still is. And Seattle is more homogeneous and focused than Los Angeles, less rich and complacent than San Francisco.

The more one studies the organization of the Seattle plan, the more one doubts it could have been effected on such a scale in any other part of the country. There may be more money in Texas, but Texas suffers from a self-perpetuating parochialism which prefers to spend its energy in the inbred competition of three towns, and tends to exclude the rest of world, except as it applies to Texas. New York may be the cultural capital of the country and port to the globe entire, but its costs and pressures in nerves and property preclude much breadth or daring. Washington, as a National Capital, has a symbolic prestige of some urgency and a captive audience of tourists and Government workers, but it is at root inchoate and faceless.

There is a very strong face to the Seattle Fair which is most immediately apparent in the impulse and ability to control its overall visual aspects. From the outset, there has been a determined effort to maintain a unit which contains an elastic interior vitality and variety, presenting a unified, light, elegant stylistic whole. Unlike many previous fairs, one's first impression is not of any startling eccentricity in a few arrogant and insistent profiles, but rather of a more or less delicate fantasy within a compact plan. It sacrifices no gaiety or playfulness, but it is designed as an integrated precinct, rather than as a loose collection of temporary structures.

And unlike other world fairs, past and future, there was a root necessity for the Seattle exposition, beyond the compulsive exuberance of an energetic park commissioner, or the usual enthusiasm of a chamber of commerce. This necessity was the many sided and long acknowledged demand for a center for industrial shows, cultural activities, sports events and entertainment, serving not alone a large city but a whole region that embraced Seattle, Tacoma, Spokane and up to Vancouver.

It is difficult to understand the economic logic of self-styled hardheaded businessmen, bankers, actuaries and real estate operators who backed the "Century of Progress" in 1933, the New York World Fair of 1939 (as of 1964) and the Brussels Fair of 1958, wherein the greater part of their investment in planning and construction was wiped out at the conclusion of each shown. In New York, which is typical, the fair site is too far removed from the urban center to have much continuous value except as a summer park. A concept of permanence and continuous use was paramount from inception in Seattle, and hence its integration, the ordering of its facilities, its accessibility to the heart of the city as well as the adjacent growing outskirts were always considered.

In 1956, the city of Seattle authorized a modest bond issue of $7.5 million, to initiate a civic center whose rather vague conditions then included a 6,000-seat opera house as a multipurpose auditorium. The scope of the present center was hardly indicated, and the interest of national or international factors not even suspected. To be sure, there was the useful reminder that in 1909, Seattle had held the Alaska-Yukon-Pacific Exposition for 137 days. In spite of the lack of mass transport at the time, 4 million people visited Seattle.

In 1957, Gov. Albert D. Rosellini invited some 70 business, labor and community leaders to form a trusteeship for Century 21 Exposition, Inc. However, any major underwriting was a considerable struggle until as late as 1960. Then, with substantial aid from Senator WARREN G. MAGNUSON, help was promised in Washington for a very ambitious Science Pavilion, for which the Federal Government granted $9 million, the largest sum for such a purpose that has ever been made. (The New York 1964 Fair will probably receive $25 million from the same source.) Having grown from its first notions of a State fair, to a regional exposition, Century 21 then sent Joseph Gandy, the energetic president of the fair and a local Ford dealer, to Paris, where he obtained from the Bureau of International Expositions an authorization as a legitimate world's fair. This recognition automatically allied 30 member nations with the project. Such authorization has been ignored by the New York World's Fair of 1964.

In order to encourage those who follow in the footsteps of Seattle's planners, it should be said that the early going was the reverse of simple or easy. Not only doubt, but possibly well-intentioned opposition was a powerful deterrent. Whenever public lands or facilities are in hazard, either to rehabilitate or replace, whenever there is a question of condemnation, reconversion or improvement, one must expect every legal hindrance due process can muster. Seattle had its full share. For example, an individual who owned some $1,000 worth of the original $7.5 million city bond issue brought suit. He stated that the proposed new multipurpose concert hall was merely a conversion and not the new facility which had been voted by the people; in June 1959, the court ruled in his favor. A general referendum was scheduled for September so that the entire local electorate could be heard. And the Seattle voters sustained the conversion program. Had they denied the plan, the cost would have been almost double. To build an opera house-concert hall from scratch would have entailed many millions more than the original $4 million proposed for that building; no additional facilities could have been afforded. What finally resulted was the completion of an excellent opera house within the walls of an older structure (the former vast civic auditorium) at a cost of $2.5 million; the remaining funds were allocated to the small theater and further permanent exhibition space. In addition, $1.5 million was authorized from the city's general funds to assure completion of the whole culture center in more than a minimal fashion. This included the realistic decision to purchase first-rate equipment and furnishings which will mean long-range economies of maintenance.

At the start, apart from suspicion and envy, there was considerable doubt that sufficient energy and funds could be found to justify an appreciable local displacement of habitual investment and passive planning. Besides, there was not even a skeleton staff to direct strategy for such an exercise. But beginning 5 years ago, a small key group of the busiest men in the Northwest met on fair business weekly, later twice a week, from 7 o'clock in the morning until their own offices opened. It took 3 years of tactical maneuvering to clear the way for actual construction. But the fact remains that for the last 3 years, the fair has enjoyed the strongest volunteer program both in quality of leadership and dollars of underwriting, for any public purpose in the history of the Seattle region. One cannot pretend that it was a mass movement; a very few men did a very great deal of work. That so large a program was undertaken in peacetime, rather than under the whips of war, is also heartening.

Paul Thiry, a local architect of taste and capacity and a member of the City Planning Commission, was retained as governing architect for the whole exposition, and for the residual permanent civic center. He has insured a unity of style in a manner which has been more editorial than censorious. In order to accommodate diversity within a unified whole, a repetitive module was established for much of the shelter skirting the fair walls. Tall, delicate, square, black-steel columns at regular intervals support a more or less continuous colonnade, facing the interior of the fairgrounds; these hold up large square precast concrete vaults which form a solid roofing. The spaces between the columns may be plugged in any way the exhibitors desire, to avoid monotony, although all plans have been under the close observation of Mr. Thiry and his staff. The use of very thin precast concrete slab walls on the perimeters of the grounds is most impressive. The construction workers took considerable pride in the great project; it was a mark of some prestige to be chosen to work at the fair. As a result, the broad walls have a surface, their edges a crispness, hardness and apparent solidity, unusual to an often graceless and impermanent material.

B. Marcus Priteca and James Chiarelli, local architects, have inserted a very handsome and capacious opera house seating 3,100 persons, with a huge and well-equipped stage and a luxurious lobby in rose marble, within the shell of the old civic auditorium. Apart from serving the Seattle Symphony annually, it can accommodate the San Francisco and Metropolitan operas, on tour, in facilities as good as, or even better than, their own homes. The fair has taken similar advantage of other existing and adjacent structures. The sports arena, seating 5,500, has been handsomely refaced in brick; the large State stadium, seating 12,000, has been beautifully replanted.

A courageous and dramatic move was made during the fair's earliest planning in the retention of Minoru Yamasaki of Detroit as a member of the fair's design standard advisory board. This Nisei architect had lived in Seattle and graduated from the University of Washington, but had left because of the anti-Japanese feeling engendered by the Second World War. His parents had been interned as enemy aliens, and his return to Seattle was not undertaken without emotion. The Federal science pavilion, the single most ambitious complex at the fair, is entirely of his design. Although Yamasaki was actually no longer advising the fair when he, with the local Seattle Architects Naramore, Bain, Brady, and Johansen, was selected by the U.S. Government to design this building, his interest stemmed from a very close involvement in the original embryonic ideas. Yamasaki has placed three large rectilinear

structures around a water court; very tall precast concrete columns in the center form an airy skeletal pavilion, capped with a lacy articulation of tracery and concrete spider-webbing which is almost late Gothic in feeling, and also recalls the construction of crystals. It is a masterpiece. When the fair closes, it may revert to the University of Washington.

The theme building of London's 1851 International Exhibition was Paxton's Crystal Palace. The Fourth International French Fair was adorned by Eiffel's tower which, until the present has surpassed all other theme structures, including the trylon and perisphere of New York in 1939, and the atomic globes of Brussels in 1958. John Graham, a Seattle architect-engineer, had recently placed a revolving restaurant on a large office building in Hawaii. He was asked by a group of private financiers to design what has now become the fair's theme building, and promptly produced the space tower. It is far handsomer in reality than early models or the renderings issued by the management. In certain lights, it seems entirely improbable, for its central service shaft disappears, and one sees only the slim profiles of the bundle of steel and concrete rods, which support its diadem, 600 feet in the air. The rods are pinched together at a height of 375 feet, and then gently flare out to 550 feet, to hold a restaurant seating 600 people, which turns imperceptibly once an hour, to give an incomparable view of bay and mountain ranges. It is proof against earthquake and even suicide; it is so perfectly balanced that a 1 horsepower motor is all that is required to swing the restaurant.

"The World of Tomorrow," the theme show of the fair, is housed in perhaps the most radical engineering among many very advanced designs. Paul Thiry has designed a coliseum which can house large conventions and sports events after the fair closes. Four massively sculptured concrete tripods act as abutments for the four steel compression trusses of the roof envelope, and are connected by a hollow prestressed concrete edge beam. Steel cables laced between the trusses form a hyperbolic paraboloid network on which aluminum panels are secured to form the completed roof. This encloses 3 acres of uninterrupted space and can *seat 18,000* persons when cleared of exhibits and converted to civic center use.

In what will be the civic center's main complex, connecting the small theater designed by Paul Kirk with the opera house, stands the exhibit hall. It is a very high and well-lit concrete shell, enclosing some 40,000 square feet of space. During the fair, this will contain at various times, an ambitious exhibition of masterpieces of painting from international collections, chosen by Dr. William Milliken, director emeritus of the Cleveland Museum; a large show of American and international art since 1950, selected by Dr. Sam Hunter of Brandeis University and Dr. William Sandberg of the Stedlijk Museum, Amsterdam; and the arts and crafts of the Pacific Northwest. By no means least, there will be shown the best of the brilliant collection of the Seattle Museum itself which, under the able direction of Dr. Richard Fuller, has made itself famous among American galleries of middle size since the last war, particularly in its Chinese and Japanese departments. There will also be a one-man show of pictures by Mark Tobey, perhaps the most widely appreciated of northwestern modern painters. The opera house, the small theater, the sports arena and the large stadium, owned by the Seattle school system, will be continuously occupied by performing arts events, under the direction of Harold Shaw, an associate of S. Hurok.

In an operation of such magnitude, many people have been responsible, and a wealth of medals and bouquets have already begun to be handed around. But, as is often the case, a very few have been in key positions, and of these some have seldom been mentioned at all. In the central operations office of the fair corporation there is mounted a terrifying robot, the count down machine. This proclaims visually the weeks, days, indeed the hours to high noon, April 21, 1962, when President Kennedy will declare the fair open. No one watches this relentless reminder with more fascination, alarm and hope than Ewen C. Dingwall, since 1957 the vice president and general manager of Century 21 Exposition, Inc. Mr. Dingwall, an affably anonymous dynamo, is one of our unsung culture heroes. He served an invaluable apprenticeship as the former executive director of the Washington State Research Council; he has been executive assistant to a mayor of Seattle and is no innocent in Washington, D.C., nor in Athens or Tokyo. He has been chief administrative officer of the entire fair, charged with carrying out the plans and construction of the whole scheme. Under 50, Dingwall is a concentrated man who seems first of all to have conquered any apparent restlessness or apprehensiveness of his own, to have found a formula which saves time, money and nerves, with at the same time a just insight into the personal interests of diverse people. Mr. Dingwall has something more than administrative gifts and long experience. By supporting the choice of individuals whose best judgments were sometimes quite at variance with the atmosphere of commercial success, he has imposed a high degree of elegance on this exposition. With the small key group of strong-willed leaders in close agreement, Dingwall recognized from the start the importance of the philosophical or esthetic basis to so popular, so loose, and in the best sense, so democratic a proposition. The fair has not so much good taste, nor any one man's taste; it is the creation and presence of an ambience in which logic, gaiety, a homogeneous lightness and variety interlock with compactness and practicality, with no watering of a central aristocratic integrity, and nothing vulgar.

Is there nothing wrong, at all? Are there no errors? Had it to be done again, could anything be done better? These questions are scarcely relevant at this juncture, particularly since there is so much of excellence and the fair is not yet finished or open. It might be carping to find some fault with the brutal and graceless precast concrete supports of the first monorail train in the United States; it will transport visitors from downtown Seattle to the fairgrounds, more than a mile in 96 seconds. But they point to the fact that the Seattle Fair designers had nothing to do with the visual aspects of the monorail; it was planned and executed (and financed) by a West German concern. When one compares it with the delicate concave and convex domes sheltering many of the national and industrial exhibits, one sees the wisdom of controlling design with a firm yet delicate central hand and eye. One might, as a professional theater man, question the size of the small theater. To provide for only 800 people in so beautiful, so luxurious, a house is luxury indeed; the economics of present-day theater being what they are, future managers may moan for another 400 seats for which there can never be room.

And naturally one wonders what use will be found for the opera house, the small theatre, the sports arena and coliseum, and all the other fine facilities after the end of next October, when the fair is closed. It would be a tremendous pity if their reversion to the city of Seattle resulted in a perfunctory cityhall operation. To fill such premises, to maintain them in a city the size of Seattle, 52 weeks in a year, year in and year out, will take money for loss and for development. But is it too much to expect that the men and minds which called these structures into being in response to a real need (even though you can't have a world's fair every year) will be unable to determine their future uses? There is already much discussion of a public-service corporation which will manage or lease the spaces from the city on a basis of planned quality.

It would be good to think that what Seattle has been able to do about getting a culture center as the residual endowment from a world's fair, could be done in half a dozen other American communities in the next 30 years. Boston, Atlanta, Chicago and Los Angeles naturally spring to mind. All have large and growing urban and suburban areas, and are regional centers as well. The manner in which Seattle has responded to its necessity, its combination of salvage and courage, is certainly a model and an incitement.

"THE CITIZEN AND NATIONAL SECURITY"—ADDRESS BY SENATOR JACKSON

Mr. MAGNUSON. Mr. President, I wish to bring to the attention of my colleagues an address by my colleague, the Senator from Washington [Mr. JACKSON], entitled "The Citizen and National Security," delivered as the opening address to the National Security Seminar in Spokane, Wash., on Monday, April 9. This seminar is one of a series of meetings being held for citizens in different parts of the country under the auspices of the Industrial College of the Armed Forces.

I hope my colleague's address will receive a wide reading. I find it a very constructive and helpful statement of attitudes and actions for Americans who wish to make a greater effort for peace and freedom.

I ask unanimous consent that this address be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE CITIZEN AND NATIONAL SECURITY

(By Senator HENRY M. JACKSON, of Washington)

I am honored to have this chance to speak to you this morning.

I have great respect for the effort represented by this seminar. Your discussions and your study should encourage a more realistic understanding of the task we face in providing for the safety of the Nation and the preservation of individual liberty.

The enemies of freedom are on the march. Their emblem is the hammer and sickle. Their weapon is the totalitarian state. Their battlefield is the world. Their aim is to bury us.

This Nation now faces a time of testing as decisive as any in its history. Lincoln's words to Congress in 1862 apply equally to us: "We shall nobly save or meanly lose the last, best hope of earth."

Lincoln knew, as we must know, that the struggle is not won by words. His eloquent expressions spoke for powerful deeds. Our deeds must be powerful now.

America and the free world are mortally threatened and we will lose unless we make a supreme effort.

Can we do that kind of job now—without the stimulus of a shooting war? This is the central challenge of our time. Can a free society generate the sustained national effort required to outperform and outlast the Communist adversary?

Henry L. Stimson wrote in 1915:

"History is not often changed by speeches. The course of history is made up by a long patient series of humble acts which gradually form the opinion and character of a Nation and not by dramatic utterances."

You and I and 180 million Americans share the responsibility of creating the opinion and character of this Nation. Our humble deeds, our attitudes, our understanding set the limits, or open the way, for national action.

This is what I want to talk about today. How can our attitudes and actions help make a greater effort possible?

I want to make a few suggestions.

First, we should be skeptical about simple solutions to the complex problems of the cold war.

Some people claim a stepped-up defense program is all we need to contain the Soviet threat. It is not. We face a total threat—extending over a worldwide military, political, economic and cultural front.

Others claim there is some gimmick which can dramatically halt the Soviet threat or some trumpet we can blow to tumble down the walls of the Kremlin. There is no such easy answer. The problem cannot be outlawed by act of Congress or even talked to death on the Senate floor. Soviet power has risen for over 30 years; it will not be suddenly reversed in 30 weeks or 30 months.

The problems we confront cannot be met by action in any one field. The challenge is total, the response must be total, or it will not be enough.

Second, we must be again the aroused and purposeful people which, at our best, we are.

When a Hitler strikes for world domination, freemen spring to arms in defense of their liberties. They fight and work with an irresistible will to victory.

Think back to what we accomplished in World War II. Between 1940–44, we increased the real value of our gross national product by 55 percent, and while putting 11 million men into uniform and sending them all over the world, we were still able to increase the real consumption of goods and services by about 11 percent during that period.

And this Nation has proved its ability to make the great effort in more than wartime. The determination of an American people who discovered and tamed the western frontier, who built and maintained a great democratic society, who mastered the challenge of the industrial age and developed the highest standard of living in the world—such a determination must be applied to the present struggle.

Our grandfathers lived with danger. The homesteader had a rifle by the hearth. Like the pioneer before us, we have to carry the burden of weapons while not laying aside the tools of freemen. We too must live with the sword, but not by it.

Third, we should recognize that the conference table is no escape from the conflict.

Some people say: "As long as we keep the Soviets talking, they aren't fighting." Nothing could be more untrue. Khrushchev is fighting. He is practicing the classic Communist tactic—manipulating the crisis to demoralize and weaken the opponent.

Traditionally, we tend to look upon international discussions and conferences as a means for resolving disputes and stopping conflicts. Many people cannot see that in the hands of Moscow they may be a means to continue conflict. To the Kremlin negotiation can be a weapon and the peace conference a field of battle.

Some people say: "There is no alternative to negotiations with the Russians." This kind of statement is not really helpful. There obviously is an alternative, which is by wise action to modify the attitude of the adversary. Negotiation is not talk apart from action—negotiation and action are parts of one whole.

Action may well be the wisest method of negotiation. It influences the environment which in large part is likely to determine the outcome of any discussions.

The Marshal plan was a powerful move in negotiation. So, on the other side, was the first sputnik.

I am personally confident that there is but one way to make progress toward the reduction and control of arms. That is, to prove that the free world will not let Moscow excel it in any major weapons field. The only way to bargain successfully with Moscow is to have strength to bargain with.

Fourth, ours must be the steady spirit in an unsteady world.

We live in a time when every tomorrow brings another crisis. From Berlin to Brazzaville, from Bangkok to the Bay of Pigs, our nervous systems are plugged into every distressed area of the world. No matter how distant the dateline we feel the strain, for we are all under the gun.

This is, perhaps, the toughest test of all. Is our mettle strong enough to take it? Khrushchev is betting against us. He thinks our will is brittle and will break. He thinks we are not in the struggle to stay.

It is a very personal challenge to us all. There may be some among us who, dreading the dangers of the nuclear age, will seek relief at any price. There may be others who, in great impatience from fear or frustration, will advocate a brutal end to uncertainty. But our survival depends on the stable, sensible majority who believe we must preserve both ourselves and our free institutions.

These institutions we defend make room for the doubters and the detractors. We hear them out. But our tradition has been that though we tolerate extremists of many kinds, we do not follow them. We have kept our heads in tight spots before and I am betting we will do so again.

In conclusion, let me say this:

Many people wonder where all this is coming out—they ask: "Is there a light at the end of the tunnel?"

In answer to that question, I would reply: The problems of war and peace are not amenable to any once-for-all solution. Something like eternal vigilance and determination will be required to keep peace secure and individual liberty safe. But if we outperform the Soviets, I believe we will outlive them.

If we respond to the Soviet challenge on all fronts, we will accomplish things we would never accomplish otherwise. We will have to cooperate with friends and allies on a scale far surpassing the past. We will see a stronger and better America and a stronger and better free world.

Maybe the Soviets do not realize this, but forcing this competition upon us as they are, they give us the historic chance to prove the advantages and power of freedom.

The words spoken by Robert Lovett are the right words:

"I see no reason for black despair or for defeatist doubts as to what our system of government or this country can do. We can do whatever we have to do in order to survive and to meet any form of economic or political competition we are likely to face. All this we can do with one proviso: we must be willing to do our best."

ESTABLISHING OF THE FORMER DWELLING HOUSE OF ALEXANDER HAMILTON AS A NATIONAL MEMORIAL

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House Joint Resolution 449, which the Senator from New York [Mr. JAVITS] has discussed.

The PRESIDING OFFICER laid before the Senate the joint resolution (H.J. Res. 449) providing for the establishing of the former dwelling house of Alexander Hamilton as a national memorial, which was read twice by its title.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota?

There being no objection, the Senate proceeded to consider the resolution (H.J. Res. 449) providing for the establishing of the former dwelling house of Alexander Hamilton as a national memorial.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, the joint resolution which we are now considering comes over from the other body, having been passed there. It is precisely, as to the operative text, the same as Senate Joint Resolution 171, sponsored by my distinguished colleague from New York [Mr. KEATING] and myself, which was passed in the Senate on March 28, 1962, roughly 2 weeks ago.

The purpose of both resolutions is to establish the former dwelling house of Alexander Hamilton as a national memorial. The record in the Senate is complete as to the discussion on that subject.

The difference between the joint resolution we have received from the other body and the joint resolution which was passed in the Senate is solely in the addition of one section, which provides a ceiling upon the authorization for appropriation of $460,000, thereby differing from the Senate joint resolution, which carried an authorization for appropriation in the same section, section 3.

I point out that the other change is that the preambles have been stricken from both the joint resolution adopted by the Senate and the joint resolution from the other body. Aside from the changes I have described, the text is exactly the same.

It is to be noted that the ceiling on appropriations applies only to section 1 of the joint resolution, which concerns itself with the removal of the present structure from where it is now located in the city of New York to a new site.

The feeling to which I have referred has nothing to do with the other section of the joint resolution, section 2, which relates to the administration, protection, and other operation of the proposed memorial.

The Senate report made clear that the estimated cost was $460,000. That statement is contained at page 2 of the Senate report, Calendar No. 1274. The report states:

The Federal Government would bear the cost of removing and restoring the house

and developing the new site for visitor use. Such costs are estimated to be $460,000.

That is the ceiling which has been placed in the joint resolution by the other body.

The report continues as follows:

Annual maintenance and operation expenses thereafter would be approximately $45,000.

I have consulted with the acting majority leader, the minority leader, and the chairman of the subcommittee that had this subject in charge, the Senator from Nevada [Mr. BIBLE], who has in turn advised me that he has consulted with the chairman of the committee, the Senator from New Mexico [Mr. ANDERSON]. I have also consulted the Republican member, the Senator from Idaho [Mr. DWORSHAK], and it seems generally satisfactory to all to accept the House joint resolution.

My colleague from New York [Mr. KEATING] and I have discussed the subject. We have no pride of authorship in our joint resolution, as opposed to the House measure. The project is long overdue. The structure is going into terrible disrepair. It would be a shocking national loss if it were not immediately preserved. So we very much hope that the Senate will approve the House measure, and that it may proceed on its way to the White House for the signature of the President. The memorial will then become a reality.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. JAVITS. I yield to my colleague from New York.

Mr. KEATING. I am happy to join in the suggestion of my distinguished colleague that the limitation which was put on the project in the other body be accepted. According to the engineers' estimates, the amount represents the anticipated cost for the relocation of the Grange. As my colleague has pointed out, the amount does not expressly apply to the anticipated administration and operation cost of the house as a national memorial, which is estimated to be about $45,000 annually.

The American Scenic and Historic Society, the present owners of the Grange, have indicated their intention to donate about $75,000 for the future upkeep and management of the memorial. The willingness of that group, the State, and the city of New York to provide the site and the other necessary legislation is additional reason for prompt action in the Senate to approve the measure in its present form. I am happy to join my colleague in asking that the Senate take the requested action.

Mr. JAVITS. I am grateful to my colleague. I point out that we have consulted also with the principal technician of the Committee on the Interior, who feels that the ceiling amount is adequate to achieve the purpose of establishing the memorial, so long as it does not affect the question of maintenance and operation.

The PRESIDING OFFICER. The joint resolution is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 449) was ordered to a third reading, was read the third time, and passed.

Mr. JAVITS. Mr. President, I move that the vote by which the joint resolution was passed be reconsidered.

Mr. KEATING. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on the motion of the junior Senator from New York.

The motion to lay on the table was agreed to.

NATIONAL PORTRAIT GALLERY AS BUREAU OF SMITHSONIAN INSTITUTION

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1057) to provide for a National Portrait Gallery as a bureau of the Smithsonian Institution, which was, on page 2, line 10, strike out "the whole or".

Mr. HUMPHREY. Mr. President, I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on the motion of the Senator from Minnesota.

The motion was agreed to.

JAMES M. NORMAN

The Senate resumed consideration of the bill (H.R. 1361) for the relief of James M. Norman.

Mr. HUMPHREY. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the bill (H.R. 1361) for the relief of James M. Norman.

Mr. HUMPHREY. I thank the Chair.

"YOU CAN FIGHT COMMUNISM"

Mr. MORSE. Mr. President, the February 1962 issue of the VFW magazine contains an excellent article "You Can Fight Communism," by Mark Clutter.

I commend this article to the attention of all thinking Americans. The formula that Mr. Clutter sets forth is for each of us to fight for justice, good social order and the principles of Americanism. As the article points out these are the causes for which all decent men should stand.

The VFW stresses a positive approach to our responsibilities to be good citizens in contrast to those who urge that we flail out at communism.

The best way to beat communism at home is to make democracy work and work well. The best way to defeat communism abroad is to set the good example here for others to follow.

I salute the VFW for the positive and constructive stand they are taking. Through daily deed and act members of the VFW, their families and their friends are serving to strengthen the cause of freedom everywhere.

I ask unanimous consent that this article be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

YOU CAN FIGHT COMMUNISM

(By Mark Clutter)

(EDITOR'S NOTE.—If you need to be convinced that you are doing your bit to help fight communism—when you belong to the VFW—this article rates your careful reading. It was written by a newspaperman with more than 20 years of experience as a reporter and editorial writer. He was in charge of the editorial page of the Wichita, Kans., Beacon, until that newspaper was recently purchased by the publishers of the Wichita Eagle.

(As a member of post 112, Wichita, since 1953, Mark Clutter became acquainted with the aims and activities of the organization. "I would have joined earlier if I had understood the purposes of the VFW," he explains.

(Author Clutter's understanding of the VFW from the viewpoint of an objective newspaperman—one who has taken the trouble to truly know the organization as a dues-paying member—is most inspiring. He backs up his appraisal with a most significant observation when he says:

("I think it extremely important for eligible newspapermen and others in communications to belong to the VFW. The understanding they gain makes it possible for them to serve the public fairly and truthfully."

(Comrade Clutter is a Navy veteran of World War II. His several assignments in Asiatic-Pacific areas included service as an enlisted correspondent, attached to Pacific Advanced Headquarters Detachment. He also served a brief tour of duty aboard the destroyer, U.S.S. *Stoddard*.)

There isn't any way that you, a plain citizen trying to make a living and rear a family and get a little pleasure out of life, can fight communism directly.

That negative statement appears to contradict the title of this article. Actually it does not. It merely sets limits which must be recognized by anyone who wishes to do his part in defeating the Communist conspiracy.

HERE'S HOW YOU CAN FIGHT REDS YOU CAN'T IDENTIFY

You can't fight communism directly because the enemy is mostly invisible. He seldom presents a target, and when he does, it may not be a real target. The Communists are a secret, criminal, highly disciplined gang. They know how to work underground, how to use the gullible, how to infiltrate and pervert worthwhile institutions. To catch them and break up their plots is a job for skilled operatives, such as agents of the Federal Bureau of Investigation. The Communists are, as J. Edgar Hoover, FBI Director, pointed out, "masters of deceit."

The chances are that you, a VFW member, don't know any Communists or deep pink fellow travelers. You just don't move in those social circles. How can you fight people you can't identify?

How does a military commander act when the position and plans of the enemy are unknown? He makes his forces as strong and battle-ready as possible. He tautens discipline. He prepares for attack from any possible quarter. He knows his own position thoroughly.

Such strategy is the basis for an effective anti-Communist campaign. Since we, as citizens and veterans, cannot seek out and destroy the enemy, we must make ourselves so strong that he cannot prevail against us.

Any positive and effective anti-Communist campaign must be essentially a pro-American campaign. The conflict is, in its present phase, a war of ideas. Two opposing ways of life are struggling for world supremacy. It is important to know what communism

means, but it is far more important to know what Americanism means.

How good an American are you?

There can be no doubt of your emotional loyalty to flag and Nation. If you were less than loyal in your feelings, you would not belong to the Veterans of Foreign Wars. But do you truly understand what Americanism means? Do you know your own position?

VFW members generally are better informed about Americanism than the average citizen, but one would not have to look far to find a comrade who had only the sketchiest ideas of the laws and traditions that define our freedom.

The lack of understanding of Americanism in the general population is shocking. A survey conducted in some eastern high schools not long ago showed that many young people did not understand or believe in the basic freedoms guaranteed in the Bill of Rights. Such boys and girls would be push-overs for wily Communist recruiters.

VFW posts are in an admirable position to educate their members and the communities in basic Americanism. Such programs can be both direct and indirect in method. Posts can sponsor lecture series, courses and essays contests. They can make it quite clear to school boards that they favor strong courses in American history and government.

Patriotism is a virtue somewhat out of style in our apathetic era. To revive it, many Americans must learn why they should be proud of their Republic. By teaching and example, VFW posts can help bring about renewed patriotism.

VFW work that seems to have no direct bearing on either Americanism or communism can contribute directly to the preservation of our Nation. Consider, for example, the children's and youth programs which so many posts emphasize. All studies of delinquency show that children who participate in organized sport and recreation are much less likely to end up in the hands of the police. In many communities, the police are so aware of this fact that they organize baseball leagues and other activities, knowing that it is better to prevent trouble than to have to deal with it.

Wherever veterans are engaged in intensive youth work, they are fighting both crime and communism. The doctrines of the Reds have no appeal to healthy, happy people. Communism attracts the confused, the despairing, the unwanted, the emotionally sick.

Wherever VFW members, acting as groups or as individuals, effectively carry out the patriotic, fraternal, historical, and educational ideals of their organization, they are fighting communism. This is true in small matters as well as great. The musketry over the grave of a fallen comrade is, in one sense, a volley against communism, for the ritual proclaims that the man, obscure though he may have been, had served the true and enduring cause. Any activity that makes the post an example of Americanism in action has an effect on the entire community.

It is impossible to fight communism passively. Communism feeds and flourishes on passivity. The nonactive VFW member may feel that he is as much against communism as anybody, but he is creating, by default, those conditions under which communism spreads. Only through active, personal commitment is it possible to build the good society that is invulnerable to the lures and snares of the enemy.

The typical VFW post today has too few workers who recognize their patriotic obligations. Some members are overworked. For a while they try to do everything. Then fatigue and discouragement, together with business and personal obligations, force them to quit. They leave a vacuum that can't be filled because so many members give only lipservice.

The nonactive members have good alibis which usually contain a bit of truth. The typical World War II veteran has reached the busiest time of his life. He has a wife and a houseful of youngsters. He has more business or job responsibilities than he had 10 years ago. "I can't do everything," he says lamely.

That is true. No one asked him to do everything. But he can do something. He can devote himself to some worthwhile post project for a few hours a week. It is quite likely that, once he becomes active, he will find considerable personal gratification in being useful beyond the confines of home and shop.

Try to imagine a post in which every member did something. Such a post, large or small, would rank as the most dynamic and worthwhile in the world. Its influence would extend throughout the community. Its example would inspire other posts and other community service organizations.

And wouldn't it be fun to belong to such an effective post.

Communism is a militant movement. Its leaders, like all clever generals, prefer to attack the weak, the disorganized, the undisciplined. The Communists frankly state that this is their strategy. They always move into areas of weakness. They do not—in fact, they cannot—infiltrate a strong and healthy society.

The Communists are quick to exploit conditions of injustice and social disorder. They have, from time to time, played their evil roles in racial conflict, in labor unrest, in governmental corruption, and in organized crime. But they are also quick to recognize intellectual confusion, a weakness of a different kind. Their infiltration into education, the communications media, entertainment, government and even religion has been possible because some leaders in these fields have lost their intellectual integrity. They no longer know what they think or what they represent.

The Communists always work against just and sensible solutions of social problems. They seek to turn racial tensions into bloody riots. They do not want unions to gain their goals through peaceful bargaining; they want bitter strikes. They seek to turn any infiltrated institution from its true goals. The Communists always fight for more and more injustice, strife, confusion and hatred. This is frankly stated party policy and is always true, although their propaganda seems to say the exact opposite.

This should make the work of the dedicated anti-Communist quite simple. To fight communism, he must fight for justice, good social order, and the principles of Americanism. Communism or no communism, those are the causes for which a decent man should fight.

Nikita Khrushchev predicted, "Your grandchildren will be Communists." In the context of his remarks it was clear that he believed this would happen in America, not as a result of war or external pressure, but through apathy and decadence. Communism would move into one area of weakness after another until it had everything.

Few Americans share Khrushchev's view. There is magnificent strength in the American people. The Nation that lifted itself out of the depression to arm the free world while fighting on every front, and that has since maintained world peace, albeit a hair-trigger peace, is not decadent. Our grandchildren will not be Communists.

The important thing is to increase our strength. On the military front it is necessary to maintain constant alertness and a ready battle force. But communism is both an external threat and an internal conspiracy. This world war of ideas must be won on the civilian front. Americans must continue to create the good society of freemen. Through our way of life, we must show that the Communist promises are a lie. Dynamic Americanism is the answer to the Communist conspiracy.

In this great struggle, the Veterans of Foreign Wars has the opportunity to play a magnificent role.

FINANCIAL AID FOR EDUCATIONAL TELEVISION FACILITIES

Mr. MORSE. Mr. President, I ask unanimous consent to have appear in the RECORD a letter dated February 7, 1962, from members of the Oregon State Advisory Committee on Educational Television, urging support of H.R. 132, which provides financial aid to States in connection with educational television facilities.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE DEPARTMENT OF EDUCATION,
Salem, Oreg., February 7, 1962.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: The members of the Oregon State Advisory Committee on Educational Television urge you to support the passage of H.R. 132 which provides financial aid to States for establishing or improving educational television facilities.

In the last 18 months, there has been a rapidly growing interest in Oregon in television for classroom instruction and for teacher education. Research and experience in other parts of the Nation have shown Oregon educators the potentials of this medium for improving instruction at all levels. Through the use of programs of direct instruction and enrichment presently being broadcast on the State-owned network both teachers and parents are becoming more and more appreciative of the values of this new medium. For instance, more than 5,000 elementary school children are receiving direct instruction this year in French and Spanish—instruction which might not otherwise be possible due to the shortage of elementary teachers with foreign language training.

Oregon public school educators have indicated their interest in this instructional medium by producing television programs locally, by obtaining funds for the purchase of receivers, and by using available televised programs in their classrooms. Developments uncovered by a recent survey made by the committee and the department of education disclose:

"Five school districts, Eugene, Bethel (a large suburban district adjacent to Eugene), Springfield, Portland, and Salem; and Jackson and Multnomah County schools have produced programs during the current school year. Actually these indicate three areas where there is activity in program production: Lane County, Multnomah County, and Jackson County.

"The commercial television stations in Eugene—KEZI and KVAL—have made available to Lane County schools 5 hours a week for educational programing of which 1 hour is for public relations programs during evening hours. The Eugene schools have provided programs for 3½ hours of this time a week and for 1 hour per week on the State network. They have produced local program series in mathematics, health, art, and Spanish—all at the elementary school level—and language arts at the junior high school level. They have also produced an inservice course in mathematics for teachers, and the

county schools have produced a physical education series.

"Bethel and Springfield districts have cooperated with the Eugene schools in production of the Spanish series and with each other in production of series in local government, literature, and Canada for elementary grades.

"Lane County schools are rapidly completing plans for areawide educational television programing for next year. Some of the participating districts will probably be from outside Lane County.

"This past summer, personnel in the Multnomah County school superintendent's office initiated plans for a series of Spanish lessons for sixth-grade pupils, and Salem public schools cooperated in the project. The series is being broadcast over channels 7 and 10 all this present school year. Portland public schools this fall produced an hour-long teacher inservice program which was telecast on the State educational television network. The Jackson County school superintendent's office is also producing an experimental series in Spanish for elementary school pupils.

"A survey of Oregon's first- and second-class districts conducted by the committee in November 1961, indicated there were at that time 296 receivers in the schools or three times as many as in January 1961. This does not include 100 receivers being purchased by Portland and 30 receivers by Salem schools, or an estimated 75 receivers in Multnomah County. The committee is certain many school districts are including funds in their 1962–63 budgets for the purchase of receivers. Two hundred and fifty-eight of the reported receivers were in schools receiving the State educational television network—station KOAC, Corvallis (channel 7) and station KOAP, Portland (channel 10).

"The survey also showed there were more than 11,000 pupils viewing in-school television programs. This is slightly less than 3 percent of the total elementary school population of some 300,000. While it is not an amazing figure, it is gratifying since this is the first year that there has been any extensive programing in Oregon for elementary classroom pupils. Some 6,700 of the 11,000 pupils were viewing programs on the State network; the remainder were viewing programs offered by commercial stations in Oregon, Washington, and Idaho.

"While the survey indicated that school districts are making use of the available facilities, the lack of complete coverage by the State network seriously limits utilization of the medium for instruction. One of the most significant findings of the survey was that so many of the districts were unable to get an adequate signal from either State-owned station and were therefore unable to profit from the resource. One hundred and nine administrators out of 221 who replied to our questionnaire said no community reception was possible of either channel 7 or 10. Thirty-nine said special antennas were needed, and 10 said cable connections were required.

This lack of reception is due to the terrain of our State. With certain key installations, which would be possible through H.R. 132, we could cope with Oregon's topographical problems and educational television could be brought to all parts of the State—to the isolated coastal regions, to far eastern Oregon, to southern and central Oregon.

The financial assistance for facilities construction which the passage of H.R. 132 would provide could extend educational opportunities for Oregon public school children by increasing the viewing area for in-school lessons offered by the two State-owned television stations. This would be possible through the installation of a series of microwave relays, translators, and other equipment to extend the signal of KOAC and KOAP to the most distant parts of the State. Passage of the bill would also help local school districts interested in establishing their own television facilities for either broadcast or closed-circuit purposes. In December, the Eugene schools were granted the rights to channel 20, a UHF channel.

Since Oregon school districts are producing programs for televising even without adequate broadcast facilities, we are confident more programs will be produced, more schools will be equipped for utilizing the programs, and the quality of instruction generally increased if better facilities become available.

We strongly urge you to support H.R. 132 so that with the additional funds which it will make available, the use of this new teaching medium can be extended and strengthened throughout the State.

Sincerely yours,

OREGON STATE ADVISORY COMMITTEE ON EDUCATIONAL TELEVISION,
Miss KENAR CHARKOUDIAN,
Chairman, Radio and Television Coordinator, Eugene Public Schools.
Dr. GEORGE HENDERSON,
Assistant Superintendent, Lebanon Public Schools.
WILLSON MAYNARD,
Director Public Relations, Oregon Education Association.
CHARLES D. SCHMIDT,
Superintendent, Salem Public Schools.
Dr. PATRICIA SWENSON,
Supervisor, Radio Station KBPS, Portland Public Schools.
Mrs. E. BERNICE TUCKER,
Assistant Superintendent, Multnomah County Schools.
Dr. GERALD WALLACE,
Superintendent, Corvallis Public Schools.

THE SERVING OF ALCOHOLIC BEVERAGES IN THE CAPITOL OR SENATE OFFICE BUILDINGS

Mr. MORSE. Mr. President, on April 5 there was sent to the Committee on Rules and Administration Senate Resolution 325, which I submitted for myself and in behalf of the Senators from South Carolina [Mr. JOHNSTON and Mr. THURMOND], the Senator from Kansas [Mr. CARLSON], and the Senator from Delaware [Mr. WILLIAMS].

I ask unanimous consent that the text of the resolution be printed in the RECORD at this point in my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Resolved, That rule XXXIV of the Standing Rules of the Senate (relating to regulation of the Senate wing of the Capitol) is amended by adding at the end thereof the following new paragraph:

"3. The serving of alcoholic beverages shall not be permitted within any portion of the Senate wing of the Capitol, or any portion of any office building set aside for the use of the Senate, other than a room or suite which is assigned for occupancy by a Member or officer of the Senate for the transaction of the business of his office. As used in this paragraph, the term 'alcoholic beverage' means any alcoholic beverage containing more than 24 per centum of alcohol by volume."

Mr. MORSE. Mr. President, the resolution, is very brief. I first spoke on this subject matter on the floor of the Senate on April 2, when just across the hall the Senate was—shall I say dedicating, as well as desecrating?—the new reception and conference room that was opened on that day. Two bars were placed in the conference room, and I understand that liquor flowed freely.

I have not submitted the resolution to have it forgotten. I shall from time to time with increasing frequency speak on this subject matter between now and the end of the session, if I am unable to have the resolution brought to the floor for a vote.

After I have waited for a fair period of time, I shall, if I find it appropriate in connection with any matter pending before the Senate, start adding it as an amendment to the pending business. I feel that if the Members of the Senate are going to serve hard liquor at Senate functions or make available offices of the Senate for use by public organizations or other groups, about which I shall speak shortly, they ought to be willing to stand up and go on record in support of what I consider to be an unjustifiable course of action.

Mr. President, I feel very strongly about this matter, because I do not believe it is a very good example for the Senate to be giving to the youth of this country.

Furthermore, I do not believe it is fair to what I am satisfied are millions of taxpayers in this country who do not believe that so much as one cent of tax money should be used in connection with any such function. I believe these taxpayers have some rights in these premises. We cannot countenance such functions and say that in no way does the serving of hard liquor cost the taxpayers any money. There is the matter of maintenance and the matter of personnel. There is the matter of the people behind the bar. Anything that can be directly related to the use of personnel of the Government costs the taxpayers money.

I protest this as a matter of social policy. It is a social policy which in my judgment the Senate cannot justify and should not countenance. The people of this country should not permit it.

I do not like to be the source of pain to my colleagues in the Senate. It always grieves me when I am. However, if they follow a public course of action which in my judgment cannot be justified as a matter of public policy, I will not hesitate to pain them. I believe this is a practice that must be stopped.

There is a certain function being held on Capitol Hill this afternoon, within Senate precincts, to which I was invited. It is an affair, I understand, that is being held in one of the public rooms under the jurisdiction of the Senate Permission was obtained for the use of the room. When I asked whether hard liquor was going to be served at the affair, I was told that in all probability it would be.

On April 2d I told the Senate that if I knew in advance that that was going to be the case in connection with any affair under the auspices of the Senate, or any affair being held within the premises of the Senate through a courtesy extended to any organization by a Senator in obtaining official permission for the use of such a room, I would not go to such an affair, and that if I got there and found that hard liquor

was being served I would absent myself from the affair.

I intend to do more than that. I intend to do my best, with all my parliamentary rights, in behalf of my cosponsors to get a vote on the resolution. I want a vote on it. I want a record vote on it. If the Committee on Rules and Administration finds itself in disapproval of my resolution, I ask the Rules Committee to send my resolution to the Senate with an unfavorable report.

I take the position that the resolution, which I submitted in good faith, justifies the Committee on Rules and Administration to bring it to the floor of the Senate. It will not take the committee very long to study the resolution. It is pretty clear. It will not require a great deal of research on the part of the committee staff with respect to the merits of the resolution. In fact, let us be perfectly frank and honest with ourselves. There is not a Member of the Senate who would not be prepared to vote his conviction on the resolution within the next 5 minutes.

I will do the best I can to get a vote on it. I have not been here for 17 years not to have some familiarity with my parliamentary rights in the Senate, and with the parliamentary steps that may be necessary for me to take to at least to encourage action on my resolution on the floor of the Senate.

I hope it will not be necessary, but I will get this matter handled on its merits.

I wish to say that I have been highly amused with regard to the snide journalistic tactics of the Washington News since I have submitted the resolution, in trying to persuade its readers that WAYNE MORSE does not know when he is in a saloon, or did not know when he was in a saloon, and thereby seeks in some way to engage in some duplicity in regard to this matter.

I wish to say to the Washington News that when I see a sign on a window saying "Breakfast being served," I am entering what I have every reason to believe is a restaurant.

When I saw the breakfast prepared behind a counter in the establishment, I had every reason to believe I was in a breakfast shop; although anyone having eyes, as I have already said, knew that in another part of that room, at other times of the day, liquor was served. Perhaps liquor might have been served there for breakfast if someone had come in and asked for it. However, I say to the Washington Daily News that the fact is that I went in for breakfast. I ate my breakfast. I was courteous and polite to the owner of the establishment. He recognized me and asked me to have my picture taken. I went behind the counter to have my picture taken behind what I then thought—and I believe I was correct—was a soda jerk, but which it is now claimed was a beer jerk.

I do not have to apologize to anyone for my lifetime as a teetotaler and as one who deplores the fact that the high consumption of hard liquor in this country is one of the great menaces to the Nation. When I think of the terrible cost to the taxpayers of the country in the administration of government services by way of the burden upon the courts, the welfare agencies, the jails, and the prisons, caused by alcoholism, I apologize to no one for the position I have always taken against the consumption of hard liquor.

So I repeat the point of view I have been heard to express before. If Senators wish to give parties at which hard liquor is to be served, let them rent a reception room in the Congressional Hotel or the Carroll Arms, or in any other hotel in the city; but I do not think we should desecrate a public room in the Senate wing of the Capitol or in one of the Senate Office Buildings by having any function at which hard liquor is served. I do not believe any Senator should be put in the position of having to make the choice I have made—and I am proud to have made it—that if there is to be that kind of function, I shall absent myself from it.

I intend to discuss this subject further. I hope that in the very near future this resolution can be put behind us with a yea-and-nay vote. I am confident that such a vote would result in a substantial majority in support of the adoption of the resolution, for I continue daily to hear from my Senate colleagues, as I said the last time I discussed this question on the floor of the Senate, who says: "There is no question about how I shall vote if your resolution can be brought up for a vote, because I cannot quarrel with the soundness of the public policy you are advocating."

Mr. President, I say most respectfully that we have surrendered to a social practice which has developed, particularly in this city. The time has come to stand up against it. There is no reason in the world why an official function cannot be held by the Senate, in connection with our so-called extracurricular activities, without putting any Senator or any observer in the position of being somewhat ashamed of a policy which permits the serving of hard liquor at such a function.

I have been interested in and have chuckled a bit about a few criticisms I have received as to why I have not protested before. It is asked, Why did I wait until now, seeking to give the impression, perhaps, that I protested because I am a candidate for reelection? I merely say that April 2 was the first time I was aware that a stamp of official policy would be placed upon the serving of hard liquor at a Senate function. That was the occasion when, for the first time, I learned that an official reception or conference room was being opened in the Senate wing of the Capitol, and that at that so-called initiation or dedication session liquor would be served. I felt that the time to hit the policy was when an attempt was being made to make the policy official. As I indicated on that day, on some occasions, both surreptitiously and sometimes not surreptitiously, there had been affairs in the Senate at which liquor had been served; but never had it been served as an official policy. I had been so advised, and that was my understanding.

If the function on April 2 had gone by without any protest, it certainly would have been a function at which it could have been said that for the first time the stamp of approval had been placed upon the serving of hard liquor at what was unquestionably an official Senate affair. That was why I took the floor while the function was being held; I wanted to express my disapproval of the policy.

I have every confidence that the members of the Committee on Rules and Administration will deal fairly with those of us who believe that we are entitled to a vote on the resolution. If there are those who think the policy of serving liquor is a sound policy, they should not hesitate to go on public record and say so, giving to us who deplore such a policy the privilege and the right to go on record against it. Then we can let the American people pass judgment on the record.

I believe in direct action. I do not believe in surreptitious policy, or indirection, or subterfuge. This question calls for a forthright, open, frank statement of policy; but I believe the Senate should formally decide the policy; it should not permit Senators to decide the policy for us by their acts. Yet that is what is happening. All of us, in my judgment, are implicated in this policy, a policy that has never been formally and officially determined in the Senate, by some Senators acting of their own volition to carry out this very unfortunate social practice, and then inviting the rest of us to attend. If we go, we allow ourselves to become implicated in a practice of which we do not approve, so far as official policy is concerned. If we refuse to go, we place ourselves in the position of hurting the feelings of some of our colleagues.

Some persons have asked me, "Senator, don't you go to cocktail parties?"

Of course, I go to cocktail parties when I feel that in carrying out the official work of the Senate, in representing the people of my State, it is necessary that they be represented at some affair conducted by industry or by some organization, at which liquor is served. But that does not require me to participate in such refreshments, and I do not. But that is quite a different thing, just as it is quite a different thing when I go to the homes of people where liquor is served. That is quite different from putting my stamp of approval on such activity as an official policy of the Senate at a Senate affair. That is the line of distinction which I think is so crystal clear that it should not require an explanation. But some people always like to have some basis on which they think they can cause embarrassment, in seeking to draw that kind of non sequitur distinction.

So I repeat to the leadership on both sides of the aisle that the senior Senator from Oregon will continue to press for action on Senate Resolution 235, until it can be disposed of.

PROGRAM OF SMALL BUSINESS INVESTMENT COMPANIES

Mr. MORSE. Mr. President, the Senate Small Business Committee is presently engaged in a study of small business investment companies and their contribution to the economic growth of

the country. As a part of this study, the Financing Subcommittee, on which I have the privilege to serve as chairman, recently conducted a hearing in my State, at Portland. This hearing was the first in a series of five such hearings being held in various sections of the country.

As Senator SPARKMAN, chairman of the Small Business Committee, pointed out, in announcing these hearings, the SBIC program has grown remarkably since its establishment in 1958. There are presently more than 500 companies—6 of them in Oregon—operating under the 1958 act, with combined capital of almost one-half billion dollars. Two-thirds of these companies have been chartered within the last year.

Since over 90 percent of the business firms in my section of the country are small businesses, the recent increase in the activities of the Small Business Administration is particularly important to Oregon.

A salient example of increased SBA help to small businessmen is the direct loan program, which, in 1961, made within the State of Oregon 111 loans, totaling $9,376,000. The comparable figure for 1960—when the agency was under other management—is 44 loans, totaling $2,060,000. About 65 percent of these Oregon loans are made in cooperation with local banks, which further generate local economic activity.

Pursuant to the SBA's "State and local development company program," which will provide a community with up to 80 percent of the costs of modernizing or establishing an enterprise, the city of McMinnville has received loans, for development purposes, of $23,000 and $239,000.

Other SBA programs which have been of benefit to my State include the procurement contract set-aside program under which 373 awards, totaling $10,982,000, were made last year in Oregon, as against 224 contracts for $4,984,000 in 1960; and the management training program under which nearly 700 persons have enrolled in 25 specially designed business courses.

I was, therefore, most pleased by the decision of the Small Business Committee to hold this first of its current hearings in Portland, to which we proudly refer as the "City of Roses." I should like very much to express my gratitude and that of the people of my State to my good friends and colleagues, the distinguished Senator from Alaska [Mr. BARTLETT] and the distinguished Senator from Utah [Mr. Moss], who on that occasion joined me and so ably and so effectively aided the subcommittee's inquiry into the SBIC program in the West. I know that these two able and distinguished members of the Senate Small Business Committee feel as I do about the results accomplished by the committee at its Portland hearing. We heard testimony from representatives of some of the small business investment companies, from small businessmen who had received financial assistance from SBIC's, from SBA personnel, and from a representative of the Oregon Independent Retail Grocers Association.

I was most impressed by the testimony of these witnesses, both as it related to the assistance being provided to small firms, and as it related to the need for certain changes in the laws under which the SBIC's operate.

I came away from the Portland hearing with renewed confidence in the soundness of this program and its value to the small businesses of Oregon and the western section of the country.

Mr. President, later I participated in a hearing at Chicago, under the leadership of the chairman of the Small Business Committee, on which I am privileged to serve as a member—the Senator from Alabama [Mr. SPARKMAN]; and today we have been conducting, here in Washington, a hearing at which we have had some very able witnesses testify regarding the operation of the Small Business Investment Corporation program.

We learned of example after example of small firms, faced with a lack of adequate capital and having no place to which they could turn for assistance, about to become just another addition to the ever-rising number of business failures, who solved their problems through a loan or an investment from a small business investment company. Take, for example, the case of Tempera Corp. of Portland, Oreg.

This company was founded in 1958 and manufactures an automatic pressure-compensating valve designed to maintain a selected water temperature to within 1 degree, regardless of changes in supply line pressure. The initial capital of this company was obtained from the individual organizers and from their families, but this money was used up in the initial promotion of their product. By January 1961 the actual sales of the company were only 71 valves per month, and, according to its president, the company was about to collapse for lack of adequate capital. Due to the company's brief experience and the fact that it had no past record of earnings nor any substantial collateral, the necessary funds were not available through normal financial channels.

To make a long story short, the company applied for assistance to an SBIC, Preferred Growth Capital, Inc., of Portland; the application was approved and a loan of $50,000 was made in late January 1961. By April of 1961 additional capital was needed, and the further sum of $10,000 was provided by Preferred Growth Capital. The company continued to grow, and by September 1961 the need for more funds arose. In this instance, another SBIC was brought into the picture, and the further sum of $20,000 was provided by the Oregon Small Business Investment Co., of Salem, Oreg. This made a total investment by the SBIC's in a struggling small manufacturer of $80,000. The results of this capital injection have been rather remarkable. Sales have grown from 71 valves per month in January 1961 to 900 valves per month by November 1961 and to 1,080 valves in January of 1962. The president of the company estimated that within a matter of 4 or 5 years the company will be making and selling 1½ or 2 million valves per year.

I am frank to say that I felt a deep sense of pride in knowing that this truly remarkable success story was made possible through the small business investment company program. And let us remember—there is much more involved here than simply the success of one small business and a profitable investment for an SBIC. The growth of this company will be felt by the economy of the city of Portland, and eventually by the economy of my whole State. The benefits in terms of jobs and payroll that this success story includes will contribute significantly in the years to come to the welfare of the people of Oregon.

As I have said, Mr. President, this is only one of a number of examples recited before the committee of small concerns rescued from the brink of collapse by the SBIC's. We heard praise for this program from four small electronics firms and a small manufacturer of pressure-sensitive adhesives, all located in the State of California, from an electronics firm in Texas, and from the owner of a small rental service in Salem, Oreg. Each of these witnesses, Mr. President, provided solid evidence of the results being achieved through this great program.

Mr. President, the economy of the State of Oregon has been dominated for many years by the timber industry. The contribution made by timber interests and related enterprises to the growth and development of my State has been truly significant, and no one recognizes and appreciates this more than the senior Senator from Oregon. Yet, I have also recognized for many years that only through industrial diversification could Oregon continue to grow and prosper. No State can long endure the overconcentration of economic resources. One has but to study the history of the southern region of this country, and the events which followed the days when "cotton was king" in the region, to learn this lesson in elementary economics.

The need for a diversification of industry in Oregon played a significant role in my decision to support this small business investment program from the beginning. In this program, I saw a great potential for financing new business enterprises and for strengthening and assuring the success and growth of existing small concerns. I saw in this legislation the vehicle by which new jobs and new payrolls might be provided, and economic growth through diversification of economic resources might be accomplished. One of the most gratifying experiences of my career in the U.S. Senate was to learn at the hearing we had in Portland that this program has worked in this way and has done much toward accomplishing these very ends in my home State.

Let me hasten to add, Mr. President, that there is much yet to be done. There were indications in the testimony presented to us that the flow of private capital into the SBIC program has slowed significantly in recent months, and that the American investing public may be "taking a second look" at the stock offerings of SBIC's. Recommendations were made for additional incentives to be written into the law and for

existing restrictions to be relaxed, and frankly I was somewhat impressed by these recommendations. I refer particularly to the arguments offered in support of providing a statutory loss and bad debt reserve for SBIC's, and liberalizing the dollar limit upon loans and investments.

You will recall, Mr. President, that last year the Congress enacted several amendments to the Small Business Investment Act. These amendments were designed to improve the program, and I supported and voted for them. Included among the 1961 amendments was a provision which limited to $500,000 the maximum amount which any single SBIC might loan to or invest in a small business concern. I also voted for this provision, but I did not do so, Mr. President, with the same degree of confidence and assurance of its soundness as I felt about the other amendments. There was the possibility that this restriction might preclude assistance to worthy small firms having a real need for funds exceeding the limitation. I went along with this amendment because it included a provision allowing SBIC's, with the permission of the SBA, to make loans and investments of more than $500,000. I felt that, with this qualification, the amendment would not substantially impede the flow of needed funds to small firms.

My judgment in this regard was strengthened when the SBA issued its regulations implementing the new amendments. In implementing the dollar limitation amendments, and its qualifying clause allowing transactions exceeding the limitation, SBA provided a blanket approval whereby SBIC's could make loans or investments exceeding the limitation only when they maintained at least 50 percent of their portfolio in transactions of less than $500,000. In this way, the administrative burden of reviewing these transactions on a case-by-case basis was avoided, and of more importance, assistance to small firms having a need for larger amounts was not to become bogged down in the needless redtape that was certain to arise under any other methods. As I said, Mr. President, I was satisfied that this dollar limitation was workable under the approach taken in the SBA regulation, though some doubt remained as to its soundness.

The testimony presented to Senator BARTLETT, Senator Moss, and me in Portland has made me somewhat more doubtful of the wisdom of writing this limitation into the law. I still have not reached any conclusion because the hearings are still in progress.

But in our Portland hearing, for example, some of the representatives of the electronics industry testified. They pointed out how difficult it is for new businesses in the electronics field to get loans from commercial banks and sources. Yet they also pointed out that $500,000 very often does not amount to much in an electronics business, and that the limitation of $500,000 is quite a handicap to the electronics industry, both from the standpoint of the work it does for defense and for the nondefense segments of the economy. Many other businesses could make the same comments.

The substance of the testimony presented to us in Portland, and in Chicago too, by representatives of the SBIC industry was that this limitation sometimes made it difficult to meet the needs of some small firms, particularly small manufacturing concerns, for growth capital. Of course, the SBA regulation to which I have referred will permit these larger transactions, and, in addition, as many as five SBIC's may participate in a transaction with each putting up the $500,000 maximum.

However, instances are certain to arise under this program where a truly small firm, needing, say, a million or a million and a half dollars, will be unable to find an SBIC willing to make the deal whose portfolio will allow this large an investment. Putting together a participation deal with three or four SBIC's will certainly be a possible solution to these problems. However, this sort of thing takes time and will not always be as easily accomplished as one might think. One of the underlying reasons for the enactment of this program was the fact that, not only was the small public securities market a prohibitively expensive source of capital for small firms, but the time delays involved in raising money in this manner worked a hardship upon small firms. In my opinion, Mr. President, it is entirely conceivable that examples will arise where small firms may be unable to raise needed capital, within a reasonable period of time, from the only source available to them, the SBIC's. Indeed, I am inclined to feel that this limitation may result in making needed capital unavailable, as a practical matter, to many truly small businesses.

Of course, Mr. President, one purpose of this limitation was to assure that SBIC funds were loaned or invested with truly small business, and this is a matter of which I have always been especially mindful. However, the term "small business" is a relative one. What is small business in one industry may be big business in another. One person's view of small business may be entirely different from another's. Sometimes I feel that we tend to think of "big business" in terms of the biggest business in the community in which we live. Indeed, however, this may sometimes be a truly small manufacturing concern competing with the real giants of American industry.

It seems to me, Mr. President, that the logical way by which we can assure that SBIC funds are going only to small firms is to review from time to time the definition of small business, or the size standards, as they are called by SBA. These size standards have been adopted by SBA after years of experience in aiding small businesses. If the standards are such that loans and investments are going to firms larger than those which Congress intended to benefit through this program, then it seems to me that the logical way to solve this problem would be to change the standards. If a firm is big business, it should not get a loan or an investment from an SBIC even if the amount of that loan or investment is $500,000, $200,000, or even $10,000. On the other hand, if a business concern is a truly small business of the type that we were trying to help in passing this legislation, then I wonder if it is sound economics to set an arbitrary maximum upon the amount that may be provided.

As I have said, Mr. President, I have yet to reach any firm conviction of my own regarding this matter. I know that there are some who do have strong feelings about it on both sides. Personally, I would welcome an exchange of ideas with them, as I feel that this is a matter which affects substantially the future of the SBIC program.

Another matter covered by the testimony received at Portland was that of a statutory loss and bad debt reserve for the SBIC's. Provision is made for a reserve of 20 percent in Senate bill 903, on which I was privileged to be a cosponsor. This bill is pending before the Finance Committee, and there is a comparable bill before the Ways and Means Committee in the other body. As I have indicated, the arguments made by the industry in support of this bill were strong indeed. We all know, Mr. President, that the 12-percent reserve given to savings and loan associations some years ago has been a most significant factor in the growth of that program. It may be that the time has come to lower the reserve for savings and loan associations. The industry is now well established, and investments in real estate are vastly more stable today than when the reserve was first written into our tax laws, or so the argument goes. There are some who might say that it is a contradiction to take the 12-percent reserve away from the savings and loan associations and at the same time write a 20-percent reserve into the law for SBIC's. On the contrary, in my opinion, the history of the savings and loan program points rather vividly to the wisdom of providing this kind of tax benefit to a young federally supported program such as the SBIC's. Think what it will mean to the small businesses of America if, through this type of tax incentive, the SBIC program will grow and prosper as the savings and loan program has grown and prospered in recent years.

The potential need for capital by small firms has been estimated at approximately $500 million per year. With the total capital available in the SBIC program now being only a little over $500 million, it is apparent that we have only scratched the surface in meeting this need. I am confident that we shall never attract enough private capital into this program to meet the needs of small businesses until some statutory reserve for losses and bad debts is provided. After all, Mr. President, we should remember that if the SBIC's are doing the job intended for them by Congress, they are engaged in extremely risky investment ventures. It seems only logical to me that a substantial statutory reserve equal to or at least approaching the 20 percent provided in S. 903 should be provided.

In conclusion, Mr. President, let me say that the distinguished chairman of the Senate Small Business Committee, Senator SPARKMAN, has previously indicated that the committee will file a full

report to the Senate upon completion of the hearings and the committee's study of this matter. However, I wanted to make this brief report on the work of the committee in Portland and to express to the Senate some of my views on this very vital and growing program. Although there is a great deal yet to be done in meeting the need of small business for long-term credit and equity capital, I am confident that in my State, and in the West, this program has been operating in the way that we intended and has accomplished much for our small businesses.

I am proud to report from the Senate floor today to the people of my State that I shall always be pleased to stand on the record I have made in the Senate in support of the small business program. Not only have I been one of its supporters from the beginning and one of the cosponsors of many legislative proposals in connection with it, but also I have been privileged to serve as a member of the Select Committee on Small Business of the Senate.

I recognize that if we are to keep a system of private enterprise in this country we must see to it that the small businessmen of this country are maintained in a position so that they can compete, because competition is the essence of the private enterprise system. One of the constant threats to the private enterprise system, against which we must constantly be on guard, is the tendency for business to turn itself into monopoly.

As I have been heard to say before, I close my argument today by repeating the warning that there is not any private enterprise connected with monopoly, for monopoly is, after all, the opposite of private enterprise, because under a monopolistic control there is no effective competition, whereas under the private enterprise system the very heart and dynamics is competition.

Our small business program in the Congress of the United States in my judgment has constituted a real service to that competitive enterprise upon which small business is so dependent. I shall always be proud to have the RECORD show that I have stood shoulder to shoulder with my colleagues in the Senate who share that philosophy in regard to the need for and importance of strengthening small business in our economy.

THE INDIANA DUNES

Mr. DOUGLAS. Mr. President, opponents of the effort to save the Indiana Dunes from destruction often claim that this effort has no significant support from within Indiana. They also claim that the Dunes have no values worth saving.

A recent article by M. E. Perrin Schwartz of Elkhart, Ind., which appeared in the Elkhart Truth for March 30, 1962, belies both of these false arguments. I ask unanimous consent that this fine article by a longtime Hoosier newspaper reporter be printed in the RECORD.

The PRESIDING OFFICER (Mr. HART in the chair). Is there objection to the request of the Senator from Illinois?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE CASE FOR THE DUNES

Many persons who are most vocal in the dunes-lake port controversy, discussed in today's editoral column, have never seen a dune.

A day in the dunes can be a genuinely rewarding experience.

There are dunes and dunes wherever the sand blows, but we Hoosiers believe that the northern Indiana Dunes which fringe the shore of Lake Michigan are something pretty special.

Centuries of winds off the lake, rolling the shore sands inland, have created a wilderness of natural beauty that is truly unique.

Viewed from the airlines which jet over the area, the dunes look as though some giant's child, tired of play along the beach, might have trudged shoreward scattering his huge play buckets of white sand as he went.

Glimpsed from the comfort of a speeding train or motorcar, the alternating bits of forest, patches of desertlike sand waste and swamp are intriguing. Afoot in them, the dunes have a primitive spell that grips one.

The huge marching hills appear to have halted momentarily and bits of woodland thicket have grown up as if to anchor the restless sands. In tiny valley pockets stagnant pools have become covered with lily pads where frogs croak mournfully these early spring evenings, and lazy turtles slip from rotting logs into the primal slime at one's approach.

Weird events have transpired betimes amid these Indiana Dunes. Once Indians here made their battle rendezvous. Lured by the lush prairie growths at their fringes, some ancient saddened settlers guessed wrong and tarried for a time. Early day outlaws hid out in their undulant wilds; and many a hermit here has found the coveted solitude he sought.

Once, it is told, a club of Chicago young bloods—Bohemians of the gay nineties—bore the body of a colleague to a weird funeral pyre which they kindled here on the bleak dune shores.

More recently, writer folk and artists have come to love the dunelands and realtors have been quick to capitalize upon this interest.

Here and there on the bare exposed windward sides of the dunes, an adventurer comes upon startling revelatory skeletons of ancient trees, even bits of wagons and abandoned cabin sites, long ago covered by the shifting sands and now coming to light again as the mounds have rolled on. Indeed, the dunes have proven untrustworthy custodians of many a grim buried secret.

Teeming industrial cities at their very borders can quickly be forgotten in their primitive solitude; and the din of transcontinental traffic on two highways and a half dozen rail lines reaches one as a faint but hardly disturbing whisper.

Safer lake beaches, and a wider use of their picnic and recreational possibilities, could logically be expected from their supervision by a park service.

As a State park once preserved these odd sand formations from annihilation, so now perhaps a Federal park system can preserve them further—with, of course, a sensible and realistic consideration for the industrial and civic needs of an expanding Indiana economy.

E.P.S.

Mr. DOUGLAS. Mr. President, in a recent article the Louisville Courier-Journal has pointed out that the so-called dunes story still has a number of loose ends. Chief among these is the failure of the administration of the State of Indiana to make any serious effort to find another location for the proposed port. The Louisville Courier-Journal, its editor and publisher, Barry Bingham, and its reporting and editorial staff consistently, and in the best tradition of American journalism, have taken a long and close look at the attempt to destroy the dunes.

I ask unanimous consent that a fine Courier-Journal article on the dunes of April 3, 1962, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE DUNES STORY STILL HAS LOOSE ENDS

Indiana's Gov. Matthew Welsh is carrying on the fight his Republican predecessors started to build a deepwater port in the middle of the State's unique and lovely dunes on Lake Michigan. Senator PAUL DOUGLAS, of Illinois, is opposing the efforts of the dunes wreckers, and this newspaper in turn has supported the Senator's efforts to save the dunes country—what is left of it—and incorporate it in a national preserve.

We have stated our position time and again over a period of several years. It is essentially this: The dunes in question are a priceless natural asset that would be ruined by a port at the Burns Ditch site in Porter County. Alternative sites in Indiana are available, but Indiana officials, past and present, have made no serious effort to find another location.

In an editorial on February 27 of this year we restated this position and suggested that while a Senate subcommittee was holding hearings on the dunes controversy, it might inquire why it is that Indiana officials have been so dead set on the Burns Ditch location, which will primarily benefit two steel companies. It seemed to us that the relationship between Indiana officials, past and present, and the industrial interests involved would be a legitimate line of inquiry. We also mentioned land speculation in the Burns Ditch area.

Governor Welsh took exception to the editorial and issued a statement attacking Senator DOUGLAS and the Courier-Journal editorial. In his statement, Governor Welsh made three main charges:

1. That Senator DOUGLAS is first of all interested in blocking an Indiana port development to head off competition for Chicago port interests.

2. That the editorial erred in saying that no real effort had been made to find an alternative location for the proposed Indiana port.

3. That the editorial was unfair in suggesting that the relationship between Indiana officials, industrial interests, and land speculation might be a "fruitful line of inquiry."

As for the first point, this raises a question of motivation, and Senator DOUGLAS will have to speak for himself on that. For the record, he had this to say in response to Governor Welsh's statement: "I have pledged myself to support any (one of three) alternative sites in Indiana." Specifically, he mentioned Lake County and Michigan City. As a third alternative, he suggested construction of a ship canal 4 or 5 miles inland, "as was done in Houston, Tex."

As for the second point, we were not speaking of "preliminary" surveys or cursory on-the-spot inspections, but studies-in-depth of alternative sites, studies equivalent to the ones made for the Burns Ditch area. If such detailed studies have been made, as the Governor says, where are they? The Senate Interior Subcommittee, which held hearings on Senator DOUGLAS' bill, asked the Army Corps of Engineers for the results of surveys of alternative sites. Although a month has

gone by since the hearings, Senator DOUGLAS reports that the results of such detailed studies have yet to be submitted to the subcommittee.

Now we come to the third point. Governor Welsh contends that this newspaper was off base in suggesting the existence of improper connections between business and public officials. He added that we failed to offer "a single specific or shred of evidence" to warrant calling for such an inquiry.

First, we did not say the connections were "improper." That was Governor Welsh's word. We don't know whether they were or not. Presumably this would be determined by an investigation. We did maintain, and still do, that enough connections, of some sort, exist to justify an inquiry.

We are puzzled why, at this late date, Governor Welsh should be so affronted by such a suggestion. We made similar suggestions several times before February 27.

And as long ago as July 23, 1961, Gordon Englehart, of our Indianapolis bureau, did a thorough review of the dunes controversy in this newspaper. It dealt in detail with the history of land speculation and with the ties between Indiana officials and interests pressing for the Burns Ditch development.

THE TIES ARE ON THE RECORD

The information was drawn from public records. It reveals a history of land speculation in the dunes area. In 1954, for example, a firm called the Consumers Co. of Chicago was engaged in sand-mining land it owned in the dunes area in dispute. The company was controlled by the Dallas multimillionaire, Clint W. Murchison. To sell land in Indiana it had to incorporate in that State, which it did in September of that year as the Consumer Dunes Corp. in Indianapolis. Its purpose: to speculate in dunes land.

This was just 2 months before former Governor Craig pushed for a $3,500,000 appropriation to buy a port site near Burns Ditch. The Indiana resident agent for Consumer Dunes was the C. T. Corp., located in the office of Craig's old Indianapolis law firm. Craig had quit the firm when he became Governor.

This is only one aspect of the story recited by Mr. Englehart last summer. Another is this: Frank McKinney, a powerful ally of Governor Welsh, has worked closely with the Murchisons in their various enterprises. Mr. McKinley was named a director of the New York Central Railroad, one of the Murchisons' holdings. That railroad is—or was last summer—seeking to lease and operate railroads and warehouses within the proposed Burns Ditch port area.

Many more interesting circumstances surrounding the Burns Ditch project were cited in the story. They're on the record.

We do not say that any of these circumstances were improper. But we do insist that there is every reason to inquire what bearing, if any, they have on the single-minded determination of Indiana officials to push for a Burns Ditch location for the port to the exclusion of any other.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. MORSE. I commend the Senator from Illinois for the wonderful fight he is putting up for the preservation of and the conservation of this natural resource known as the Indiana Dunes. I know what it means to be fighting in the conservation field against selfish interests, which seem to think that the private enterprise system means privateering and which, very often, show a lack of regard for their trusteeship responsibility, which they, along with the rest of us, have as trustees of these great natural resources for future generations of America.

I make this statement of commendation to the great battler from Illinois, who can always be counted upon to be fighting courageously for what he knows to be in the public interest. This is in the public interest.

I should like to ask the Senator a question, because we need to have our memories refreshed periodically. I wonder if the Senator would be willing to take a moment or two to put into the RECORD an answer to the question as to what is the present status of the controversy over the so-called Indiana Dunes issue?

Mr. DOUGLAS. The bill introduced by six Senators and by me to create the Indiana Dunes National Lakeshore, S. 1797, is now before the Subcommittee on Public Lands of the Committee on Interior and Insular Affairs of the Senate. Hearings have been held on the bill. It would create a national lakeshore park of 9,000 acres which would preserve a lakefront of about 5 miles. This would be in addition to the existing little Indiana Dunes State Park of 2,180 acres and 3½ miles of lakefront.

It is not at all certain what the subcommittee will do.

The recent report of the Outdoor Recreation Resources Review Commission correctly pointed out that, marvelous as the national parks are, they mostly are located a long way from where the people are, and that what is most needed is to save beautiful recreational areas as close in to the metropolitan regions as possible. It so happens that this description fits the Indiana Dunes like a glove. This is a marvelous area only 40 miles or an hour's travel by train or automobile from the center of Chicago.

One difficulty confronting those of us trying to save the dunes arises largely from the fact that the dunes are located in Indiana. They are used and enjoyed by people from all over the country, but primarily by people from Illinois. The State of Indiana has taken the position that it is not proper for Indiana to appropriate money to provide recreation for the people of Illinois. The State of Illinois has taken the position that it should not appropriate money to be spent by the State of Indiana.

This is a case in which, if we were to confine ourselves purely to State action, it would fall between two stools. This clearly is not a matter merely for State action, but a matter of regional and national concern requiring national action, because the people who do use and could use the area come from many States. That is why we have been advocating a national park. I have been criticized because I live in one State and, while representing that State, propose to deal with property in another State.

I do not know that this is a proper statement for me to make, but it is a truthful one. Before I assumed the sponsorship of the bill, I went to the senior Senator from Indiana [Mr. CAPEHART] and proposed that he lead the fight and I would support him. It was only after he refused to do so that I felt I could not let the issue go by default and took on the job, along with many other colleagues.

The immediate threat to the dunes is from two giant steel companies. These are National Steel, headed by Mr. George M. Humphrey, and Bethlehem Steel. Bethlehem is one of the most curiously run companies in the country, because the board of directors is composed, I believe, largely of salaried officers and former officers who own very little stock in Bethlehem but who in the past have voted very liberal salaries and stock options to themselves.

National Steel has said that it intends to construct an integrated steel mill on its property and it has constructed a small finishing mill there, but not a basic steel mill.

Bethlehem Steel has said that it wants the area for another steel mill, although in public statements it has refused to give any time limit as to when it intends to construct the mill.

It is the position of those of us who love nature that if two additional steel mills are put in, not only will they destroy very beautiful areas, particularly the land which Bethlehem now owns, but they also will pollute the air and water so as to render the rest of the dunes and beaches largely unenjoyable, and will destroy the possibility of their public use.

Today the Senators from Indiana [Mr. CAPEHART and Mr. HARTKE] in this body and Representatives HALLECK and ROUSH in the House introduced bills to authorize the construction of a Burns Ditch Harbor in the Indiana Dunes. I think that this action is a frank admission that their harbor proposal is so unjustified economically that its proponents are afraid to seek the authorization by normal procedure. They are asking for a Federal appropriation of $25½ million to be combined with a State appropriation of approximately $38 million. If Bethlehem should not build its mill, the measure would benefit almost exclusively National Steel headed by George Humphrey. If they obtain the harbor, they can build the mills. But if they do not get the harbor, they cannot build the mills. They may be able to prevent us from getting an authorization for a national park through Congress, but we may be able to prevent them from getting a harbor.

Normally, legislation to authorize Federal participation in the building of a harbor is introduced only after the Corps of Engineers reports on the proposed project goes through three steps:

First, it must be circulated among the interested Federal agencies and State government for their views; second, it must be approved by the Secretary of the Army; third, it must be submitted to the Bureau of the Budget for its report on whether the project is in accord with the program of the President.

It may be remembered in this connection that the President advocated a national park specifically in that region along the lines, at least, of the proposal contained in Senate bill 1797, sponsored, among others, by the Senator from Minnesota [Mr. HUMPHREY].

By their introduction of the proposed legislation before these normal steps had been completed, the Senators from Indiana and Representatives HALLECK and ROUSH are admitting their fear that the Bureau of the Budget will turn down the project as not justified on economic grounds and as being in conflict with the President's program.

I dislike to make such a statement about my colleagues, but since the Sentor from Oregon asked me about the subject, I felt must make this statement. Had I known that the issue was coming up, I would have notified these Senators that I intended to take the floor and discuss it.

I think we should insist that there be hearings on the Hartke-Capehart proposal before the Senate Committee on Public Works.

The attempt at an end run around normal procedure should put the members of the Committee on Public Works on guard. All friends of the outdoors should be on guard.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MORSE. I do not believe the Senator from Illinois should worry about the criticism which he says he has received because he is seeking to help establish a national park in a State outside the State of Illinois. We all do that whenever we pass judgment on the whole park program.

We must keep in mind what undoubtedly will happen in the next score of years in this country with the great onrush of automation. Leisure time will be one of the assets of the American people. At least, they can make it an asset. It could become a liability.

The need for recreation facilities will grow by leaps and bounds. I believe that within the next 20 years income from recreation and from all the incidental things that go along with recreation, will be the No. 1 source of income for my State. Within 20 years income from recreation will bring into Oregon more income than agriculture. At the present time the order is agriculture, lumber, and recreation. Within 20 years it will be recreation, agriculture, and lumber. I believe that we shall see such a shift in income position.

I see the Senator from Alabama [Mr. SPARKMAN] in the Chamber. Senators will recall that last year, when the Senator from Alabama was taking through the Senate in his very able way a piece of legislation known as the housing bill, there was a section in that bill that had to do with so-called open spaces for our great metropolitan areas, such as Chicago, Gary, Indianapolis, Detroit, New York, Philadelphia, Pittsburgh, and other great metropolitan areas of the country. The Senator from Illinois will recall how sad we were on that day to find that we could not muster a majority vote in the Senate to retain in that bill a provision that would provide for a Federal cooperative program in connection with making open spaces in those metropolitan areas available to the people for their enjoyment and their recreation. I remember pointing out in that debate what the evidence so clearly shows. In every great metropolitan area there are literally hundreds of boys and girls who never get outside the city limits of the metropolitan area in which they live until they have gone beyond the age of 12.

Mr. DOUGLAS. Tens of thousands.

Mr. MORSE. They do not know what it is like away from the sidewalks of New York, so to speak, or from the tenement areas of Pittsburgh, Chicago, and the other highly populated metropolitan areas of the country. We all know that that is one of the great plagues from which our cities suffer. They do not know what it is to really get out into an open space and commune with their God. I offer no apology for my statement, which I made on the floor of the Senate not so many days ago when I was fighting the materialists that want to destroy Glover-Archbold Park in the District of Columbia, assisted by the powerful lobby organization known as the American Automobile Association. That association is always motivated by a desire to lay down an apron of cement, irrespective of its cost to our culture, esthetic values, and our natural resources. So we add the sad spectacle of the spokesmen for the American Automobile Association, whose representatives were here testifying really to tear to the ground, as I have said, that great natural cathedral.

Someone wrote a letter to the editor stating that he had gone through the park and did not think it was such a beautiful cathedral, as the Senator from Oregon had described it. The writer had found briars, weeds, and stones in parts of the park which were in an unkept condition. That statement illustrates all the more reason why we should save what we have. There is little enough left.

I assure those who share the views of the writer of that letter and who wish to commune with nature that they can walk through that park, as I have, and—I care not what hour of the day or night it is—and the experience will take them nearer to their Creator. That area should be available to those who cannot get out to the great canyons of the West, which the Senator from Illinois honored me by visiting many times. They cannot get out into the primeval forest. They cannot get out to a stream foaming with rapids flowing from the glaciers on the mountains of the West. They cannot be that close to their Creator. But we should leave something.

The sand dunes of Indiana are a great natural phenomenon.

I do not think that in the interest of profit dollars for the steel corporations or any other business organization we can justify destroying natural beauty. I want the Senator from Illinois to know that I will continue to stand shoulder to shoulder with him in trying to enact legislation which will conserve and preserve the Indiana dunes for future generations of Americans.

I do not believe it is true that we cannot find any other place where steel mills can be built, or that there is no other place where we can take care of the transportation problems if we do not build a harbor there.

There are many such places. However, once we destroy the Indiana dunes, they will be gone for all eternity. Once we destroy Glover-Archbold Park, we destroy it forever.

Therefore, when I listen to the materialists, the Army Engineers, and the District of Columbia Commissioners, who have gone along with the American Automobile Association and all the others who want to destroy that park, I do not want them to tell me, "Senator, if you do not do it this way, we shall have to tear down private homes and new apartment buildings."

My answer is that I am still unimpressed, because we can always rebuild the houses if necessary, and we can always rebuild apartment houses. They can all be rebuilt elsewhere.

However, we can never rebuild the natural cathedrals that I am urging the Senate to preserve for future generations.

We must carry out our trust. I am proud to be associated with the Senator from Illinois in this great conservation battle in the Senate, because we are up against it constantly. This is not the last conservation fight we shall have. We shall have a great many of these fights in many parts of the country. I say to my colleagues in the Senate that we must stick together. We must stick together, for the alinements in the Senate become very interesting. We were defeated by the alinement last year. The Senator from Alabama [Mr. SPARKMAN] will recall that we had some of what we urged returned later in another piece of legislation, but we first were frustrated in our endeavors.

From all of this we can learn a lesson. Senators have come to me afterward and said, "I was mistaken in that vote." I say to the Senator from Illinois that he can count me in on the team. I want to be a member of the team.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I will yield in a moment. I first wish to say that the statement of the Senator from Oregon pleases me very much. As we all know, he is a very brave battler. In the civil wars in England, when Oliver Cromwell rode over the moors to join his troops, the forces of the Commonwealth would take heart. When WAYNE MORSE takes his spear and comes into these battles, the forces who are trying to conserve our natural beauties take heart.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MORSE. I always appreciate the comments of my good friend from Illinois. However, I always say to my friends that the Senator from Illinois is a biased friend. That is a precious commodity, Mr. President.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. SPARKMAN. In order that the RECORD may be complete, I should like to say to the Senator from Oregon that while it is true that we lost the fight in the Senate on the open spaces, the House voted in favor of it on the same bill. In the Senate we had two pieces of new

legislation, really new to the Senate. One of them was a bill dealing with mass transportation, and the other with open spaces. The Senate voted for mass transportation and voted down the open spaces proposal. The House voted for open spaces and voted down mass transportation.

That made a very easy trading arrangement in the conference committee, and we got both in the final legislation.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. This could be described as an hour of enlistment. The Senator from Illinois has sounded the battle cry for the protection of the Indiana dunes. He knows I am interested in that subject.

Mr. DOUGLAS. The Senator from Minnesota is one of the sponsors of the bill.

Mr. HUMPHREY. Yes, and proudly so. The Senator from Minnesota has heard the response of the able and courageous Senator from Oregon, who is a conservationist second to none. I assure Senators that my interest in this subject is not merely my interest in the Indiana sand dunes, but in the whole subject of conservation of our natural resources.

Mr. DOUGLAS. Certainly.

Mr. HUMPHREY. And the preservation of our wilderness areas.

Mr. DOUGLAS. That is correct.

Mr. HUMPHREY. As has been mentioned today, the President's report on the Outdoor Recreation Commission is a blueprint of action which Congress ought to take.

Every day we hear some one talking about the population growth, or the great population splurge. Millions of new people are inhabiting our land. It is predicted that in a very few years from now, in 1970, the population of our country will be 220 million. There will be the same amount of land, but we shall have an increasing number of people. Our cities are growing bigger and bigger every day.

All this has become one of the great challenges of American governmental and social organizations. A society that lives an urban life, with people who are literally on wheels, and with all kinds of automotive transportation, and, as the Senator from Oregon has said, with an industrial society in which automation is the pattern of the day, and with more and more time available for families and individuals, for whatever purpose they wish to use that time, the conservation and preservation of these great areas of natural beauty, these wilderness areas, these God-given areas, which no man can replace once they are taken away, become not only a matter of public interest, but also a matter of public duty so far as Members of Congress are concerned.

We have a duty to ourselves and a duty to future generations.

I come from a State in which we take great pride in our wonderful recreational facilities. We have more than 22 million acres of forest land. We believe we have more than 20,000 lakes. I regret to report to my colleagues in the Senate that because of the inadequacy of certain laws, Federal and State, rivers and lakes in a beautiful State like Minnesota have become polluted.

As the Senator from Oregon has pointed out so many times on the floor of the Senate, as has also the Senator from Illinois, here in the Nation's Capital the Potomac River, a river which has a page in every history book of every young American, is a polluted river. It is not safe to go swimming in the Potomac River. It is dirty. It is one of the most polluted streams on the eastern seaboard.

Why is that? It is because the people have put their temporary little monetary and financial advantage ahead of the needs of posterity. Today if we tried to clean the Potomac River, to make it usable for recreational purposes, or to use it as a source of clean water, it would cost millions of dollars. I believe that even such an investment would be worthwhile.

Therefore I say to the Senator from Illinois that he need not make any apologies for being interested in preserving an area in this country for recreational purposes, for wholesome outdoor recreational purposes, even though it may be located in another State.

I want the Senator to be interested in the forest lands of my State.

Mr. DOUGLAS. I am.

Mr. HUMPHREY. I want him to be interested in the great parks and forest lands of Oregon and the great land areas of Illinois. We are Senators of the United States of America. We have a duty to the Nation as well as to our respective States.

When anyone thinks he is going to ride over this conservationist in the Senate he has a fight on his hands the like of which he never had before.

So I say we might as well throw down the gauntlet now and be ready to fight for the few areas we still have in this country that have been untouched and unsullied.

Let anyone who is worried about commerce or about where a steel mill should be built or where an industry should be located, come to northeastern Minnesota, where we have the Great Lakes, and the finest water transportation in the world, where we have the St. Lawrence Seaway, and where we have workers who are unemployed. These workers have worked in mines and steel plants. We have the city of Duluth and the city of Two Harbors, and, across Lake Superior, the city of Superior. We have the dockage facilities, the ore boats, and the workers necessary to operate steel plants. It is not necessary to damage the Indiana dunes.

We have available good commercial property, property which was zoned for this very purpose a long time ago. Besides, anyone who goes there to invest or work, can be in the virgin forests of the Lake Superior country within 1 hour; he can go by canoe into areas untouched by human kind.

If he does not like it there, he can go by plane or automobile further into the more open recreational areas. We guarantee good pike fishing, good swimming, good picnicking, good camping.

Minnesota affords commercial opportunity; it has available workers and available commercial sites. It has happy people. It has recreational facilities.

At the same time, the dunes can be protected. I know the Senator from Illinois will want to tell us that his State also can provide commercial property and space for steel plants somewhere in Illinois. But I thought I would put my bid in first for Minnesota before any other Senator put in a bid for his State.

Mr. DOUGLAS. I thank the Senator from Minnesota. As one who has walked down the Willamette Valley, across the Coast Range, to the Oregon beaches; who has walked up the Oregon beaches almost their full length, and walked on the Washington beaches, I know something of the beauties of the States of the Northwest. I should like to preserve a full share of them for future public use.

Also, I know something of the beauties of Minnesota, and I should like to see them developed.

The distinguished Senator from Michigan [Mr. HART], who is now presiding over the Senate, has sponsored a national park in the so-called Sleeping Bear area of his State. Such a park is badly needed. I pledge my support to him and to his colleague from Michigan [Mr. MCNAMARA] in their sponsorship of that measure, against the great opposition which they face.

Every time one of these proposals is advanced, the tendency is for local interests to oppose it. I walked through the Yosemite last fall and found that when John Muir advocated saving the Yosemite and making a national park of it, the people in the vicinity were very much opposed to the proposal.

The same thing occurred in the Yellowstone, and at Glacier, in Montana. It happened in the Grand Tetons, in Wyoming. I believe the only instance when there was no local opposition was when the Great Smokies National Park was created in North Carolina and Tennessee. Generally, we find local interests opposed to such developments, because they think they can make more money otherwise. The great system of national parks has therefore been largely developed by people from outside the areas immediately concerned.

There is another weakness. People will make general declarations that they are in favor of recreational facilities for the teeming millions of the metropolitan areas. They think that by making a general declaration they have performed their public function and duty. But when a specific project comes up for consideration, they say that commerce and industry are more important. It is necessary for us to be faithful to our principles in concrete situations, and not merely express general principles.

We all remember the story of Rip Van Winkle, about whom Washington Irving wrote one of his best stories. Rip Van Winkle was a total abstainer in principle; but whenever he had a chance to imbibe, he would say, "I won't count this time." That is the way people behave very largely in connection with the creation of national parks.

I observe that my reference to Rip Van Winkle has excited the interest of the distinguished Senator from Louisiana.

Mr. LONG of Louisiana. Mr. President, I am happy to tell the Senator from Illinois that recently we in Louisiana have had something of an opposite experience, fortunately. Kaiser Aluminum Co. has been willing to give up, at no expense to the State or the Federal Government, a valuable piece of property which that corporation owns adjoining the Chalmette Battlefield, where Andrew Jackson's troops defeated the British. There is some hope of making a national monument of that particular area, which is now owned by private industry.

That is one instance in which a private corporation, and a large one, has the public interest at heart. It has said it is willing to relinquish to the Government the land which is needed in order to make a national monument of the battlefield on which American and British troops fought the Battle of New Orleans.

Mr. DOUGLAS. I thank the Senator from Louisiana. The Kaiser Co. is one of the most public spirited companies in the Nation. It showed its public spirit only last week when, with Inland Steel, it refused to go along with the price increase which United States Steel and Bethlehem Steel initiated. The action of Inland and Kaiser, together with the tacit refusal of American Rolling Mills Corp. and of Granite City Steel to put the price increase into effect, helped the President to roll back the price increase. The Kaiser Co. is one of our very best concerns.

Mr. LONG of Louisiana. The offer of Kaiser Aluminum probably gives some insight into the motive of that company in not going along with the price increase. As the Senator has so well said, that company has given indication on occasion of being somewhat self-effacing for the benefit of the overall national need.

Mr. DOUGLAS. I thank the Senator from Louisiana. We have tried, directly and indirectly, to appeal to similar instincts which we hope exist among the leaders of National Steel Corp. and Bethlehem Steel Corp. Thus far we have been greeted with a stone wall of silence on the part of Mr. George M. Humphrey, who is the main force in the National Steel Corp., and an outright refusal on the part of Bethlehem Steel. Those companies have an opportunity to "get right" with public opinion by being willing to cooperate.

In this connection, while I appreciate the desire of the Senator from Minnesota [Mr. HUMPHREY] to have steel mills locate in Minnesota, I correct any possible inference that I am trying to get them for Illinois. This charge has been made upon occasion by the Governor of Indiana; and upon occasion it has been repeated by Members of Congress from Indiana. This is not true. I should be very glad to support the construction of a harbor at other places in Indiana along Lake Michigan. One alternative site would be at Michigan City, 10 miles to the east. Michigan City has an 18-foot harbor which could be deepened quite readily to 27 feet. It is also the northern terminus of the Monon Railway.

I should be very glad to support a harbor at an inland location which could be reached by a canal constructed at the approximate location of Burns Ditch and which would run 4 or 5 miles into the interior. Steel mills could be located there, while still preserving the Dunes.

Perhaps best of all would be a harbor to be built in Lake County, Ind., west of Gary. There is already a breakwater protecting the entrance to Lake Calumet, in the southern part of Cook County. There also is a breakwater to protect the public port at Indiana Harbor, which is a 27-foot harbor. Those two breakwaters could be connected, and land could be filled in behind the breakwater in Indiana which could then be used by the steel companies.

But, Mr. President, as the Senator from Oregon [Mr. MORSE] has said, although the steel mills could move elsewhere, once the Dunes are destroyed they are gone forever. As Carl Sandburg has said, "the Dunes are to the Midwest what the Grand Canyon is to Arizona and Yosemite to California. They constitute signature of time and eternity: once lost their loss would be irrevocable." Mr. President, it is this precious area which some of us are trying to save, but it is this which many are seeking to destroy.

I wish to be guarded in what I say; but in both parties in Indiana there are strong political influences that are seeking to destroy the Dunes, in the name of steel. There are strong political forces which are hoping to profit from an increase in land values. Two powerful steel companies—National Steel and Bethlehem — and the Public Service Co. of northern Indiana and various private groups are seeking to destroy this area.

But, Mr. President, I am greatly heartened by the comments of the Senator from Oregon and the Senator from Minnesota, and by the reinforcement the Senator from Louisiana [Mr. LONG] has given us by his references to what is happening in his area. I can promise that although the opposition may be able to prevent this bill to save the Dunes from being passed by Congress, yet we will give them a fight over the question of whether they can have $25½ million of public funds to build a port to be used, at best, almost solely for the benefit of two steel companies, and quite possibly for the benefit of only one steel company. We will do our best to save this priceless area for the people and for both this generation and those which are to follow.

DISTRICT OF COLUMBIA CENTER FOR HUMAN UNDERSTANDING

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the RECORD a statement prepared by Prof. John Nef, of the University of Chicago, dealing with the establishment in the District of Columbia of a Center for Human Understanding.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A CENTER FOR HUMAN UNDERSTANDING—PLANS FOR ITS DEVELOPMENT—1962–68

The center is a part of the University of Chicago, which receives gifts and administers all funds.

OBJECTIVES

An old world is going out. The human condition is different from any known to history, and the danger of extinction confronts men and women everywhere with problems such as they have never faced before, problems which they can only meet, and live, by increasing understanding and agreement. In this new world of nuclear weapons unlimited violence has become a luxury which the human race can no longer afford. The members of a center for human understanding form a small group, disinterested personally, but with a central and overwhelming interest in helping the human race, as individuals, to fulfill their destiny and to make our planet a more decent place for the generation of children being born in every country in the 1950's and 1960's. In addition to these members, the center includes the sponsors (with their wives or husbands) now known as "associates of a center for human understanding and of the committee on social thought of the University of Chicago."

Our purpose as a corporate body of members and associates is to examine any major phase of human activity in the light of a hope for relative peace on earth, and in the knowledge that relative peace is unattainable unless there are fundamental changes for the better in the manifestations of human nature. Our function is to help persons everywhere to discover what changes are necessary in the spirit in which individuals conduct their lives, in the objectives which they serve and in the manner of serving these objectives, in politics, business enterprise, education, labor and craftsmanship, law, science and art.

And, further, our function is to suggest possible ways in which these necessary changes can be brought about. So it is our function both to try to define and to represent, in company with such other more specialized and more organized groups as share our concern, the interests all men and women have in common, mostly without realizing it, beyond and in the midst of the misunderstandings and quarrels between nations, races, ideologies and factions, and thus to help reveal what is so readily concealed and so often buried—the dignity of God in man.

PROCEDURES

With these ends in view the members plan to hold, during the next years, periodic meetings in Washington because of the special facilities there available for assemblies of this kind and the special opportunities there provided for direct contacts with persons from many nations who contribute to the great decisions which will determine human destiny. The associates as well as the members and prospective members are invited to these meetings. So are a number of other persons whose knowledge and ideas concerning the subjects discussed command respect, and whose participation in the discussions is encouraged. The maximum attendance at any single session will be 40 to 50.

The opening meeting will be held in Washington this spring beginning the morning of Thursday, April 26, and ending Monday, April 30. It is hoped that the participants from out of town may arrive in the afternoon or evening of Wednesday, April 25. The Institute of Contemporary Arts will serve as host for the meetings and provide a setting for

the future development of this new center at Meridian House, 1630 Crescent Place NW., Washington, D.C. Some rooms have been reserved at the Mayflower Hotel to provide accommodations for those who need them, in particular members of the center who will come from Europe and Chicago.

PROGRAM FOR THE 1962 MEETING, APRIL 26–29

The general subject is "Approaches to a Surer Peace." Six formal discussion sessions are planned, to be held on the mornings and afternoons of Thursday, Friday, and Saturday. These sessions will be followed in the evenings and on Sunday by informal conversations. At these the members, associates and other participants will exchange their second thoughts concerning the issues raised in the formal sessions. Arrangements are being made to provide luncheons and dinners during the 4 days in Washington for members, associations and invited guests.

The main object this year is to decide what are the all-important questions under each of six subjects of discussion, so that these can be explored much more deeply in subsequent years. The subjects have been chosen because each could provide promising roads to better understanding. Those of us who assemble next April will formulate, in tentative form, the key issues relating to each subject, and will discuss what kinds of reforms are likely to help provide goals for human endeavor other than those likely to end in mutual suicide.

The persons mentioned under each of the following headings will, it is hoped, help to initiate the discussion of the issues concerning each subject. We regard all six subjects as integrally related to the general objective of all the sessions; to suggest to men and women everywhere surer roads to peace, opportunities for constructive, exciting work and exaltation such as have been partly and often tragically provided by organized warfare for the settlement of differences. As it is one of our main purposes to transcend the barriers which now hinder and often prevent understanding between specialists, we hope that it may be possible for the members, associates, and invited guests to attend as many meetings as they can with a view to treating each subject in the perspective of the others, and relating all of them to this central theme.

1. Thursday, April 26, at 10 a.m.: "Common Ground in Religious Approaches to International Understanding." A comparison of the influences of science and Christianity upon history in their relation to a more peaceful and constructive world. Participants: John Nef; Charles Moraze, professor in the Ecole Polytechnique of Paris; Mircea Eliade, member of the center and the committee; Rev. Martin D'Arcy.

2. Thursday, April 26, at 3 p.m.: "Cultural Foundations for a Better Understanding Among Peoples: Arts and Letters." Participants; Jacques de Bourbon Busset, Charles E. Bohlen, Robert M. Richman, Nadia Boulanger, Ralph J. Mills, Jr.

3. Friday, April 27, at 10 a.m.: "How Can Popular Culture Contribute to Understanding?" A consideration of the role of newspapers, magazines, films, television, radio, et cetera, in human communion. Participants: Rev. William F. Lynch, Charles Benton, William Ward Prince.

4. Friday, April 27, at 3 p.m.: "To What Extent and in What Ways Can a Higher Economic Standard of Living Contribute to a More Peaceful World?" A consideration of the roles of individualism, mechanization, automation and craftsmanship as bases of human communion. Participants: Clarence Randall, Ambassador Konan Bedie of the Ivory Coast, Friedrich Hayek, Arnold O. Wolfers.

5. Saturday, April 28, at 10 a.m.: "Can Science and Technology Strengthen the Peace?" A consideration of the role of scientific inquiry, scientific knowledge and military manners in human communion. Participants: The Honorable James H. Douglas, Louis Leprince-Ringuet, Sir George P. Thomson, Lewis Strauss, General Thomas White, George Kistiakowsky.

6. Saturday, April 28, at 3 p.m.: "Can the United Nations Establish a Rule of Law?" A consideration of the possible role of natural law and legislation, poltical institutions and judicial decisions in human communion among diverse peoples. Participants: Mr. Justice John M. Harlan, Charles S. Rhyne, Sir Arthur L. Goodhart, Frederick Eaton.

PUBLICATIONS

The discussions will be recorded. They will be carefully edited with a view to publication by the executive secretary, Bruce Phemister, formerly executive secretary of the Committee on Social Thought.

Monsieur Angoulvent, president and director of the Presses Universitaires de France, has signified his interest in publishing a series of volumes for the Center for Human Understanding. The first, which is being published in English in March 1962 by the Henry Regnery Co., of Chicago, is John Nef's "A Search for Civilization." M. Angoulvent has undertaken to publish this (under the title "A la Recherche de la Civilization") as the first of his series in French. The second volume will be presented to M. Angoulvent in French translation as proceedings of the spring meeting. It is hoped that either the Henry Regnery Co. or University Publishers, Inc., will present the series in English.

THE SUBJECTS AND PARTICIPANTS FOR SIX SUBSEQUENT PROGRAMS—1963–68

1. "The Place of Religious Faith in an Approach to Human Understanding." Among those to be invited as participants: R. P. Carre, Mircea Eliade, Rhadakrishman, Aldous Huxley, William Hyghe, Rev. Theodore M. Hesburgh, William G. Cole and representatives of Africa, the Near and Far East and Latin America.

2. "The Place of Beauty in an Approach to Human Understanding." Among those to be invited as participants: Alexis Leger, Andre Malraux, T. S. Eliot, Marc Chagall, Henri Peyre, Ivan Albright, Anthony di Bonaventura, Jacques de Bourbon Busset, Ralph J. Mills, Jr.

3. "The Place of Popular Culture in an Approach to Human Understanding." Among those to be invited as participants: Jerome Bruner, Rev. William F. Lynch, Amory Houghton, Charles Benton.

4. "The Place of Economic Enterprise in the Achievement of Human Understanding." Among those to be invited as participants: Robert Buron, Friedrich Hayek, Clarence Randall, William Wood Prince, Ambassador Konan Bedie, the Honorable William Benton, Senator Paul Douglas, Jacques Eliul, and representatives from Africa, India, the Near and Far East and Latin America.

5. "The Place of Science and Technology in an Approach to Human Understanding." Among those to be invited as participants: The Honorable James H. Douglas, Sir George P. Thomson, the Honorable Robert S. McNamara, the Honorable Roswell L. Gilpatric, James R. Killian, Hans A. Bethe, Louis Leprince-Ringuet, George Beadle, George Kistiakowsky and representatives from Africa, India, the Near and Far East.

6. "The Place of Politics and the Rule of Law in Human Understanding." Among those to be invited as participants: Mr. Justice John M. Harlan, Sir Arthur L. Goodhart, Gabriel LeBras, Charles S. Rhyne, Julius Stone, Arthur Larsen, Dean Erwin N. Griswold, Frederick Eaton and representatives from Africa, India, the Near and Far East, and South America.

CONTINUOUS EXISTENCE

It is vital to the impression we hope to make on leaders in all lines of endeavor, and to groups devoted to limiting war, that the center have a continuous existence, and means of publishing and coordinating the results of each of the meetings, and showing the interrelations of all of them. These must be not simply a series of conferences held here and there, the experience of which evaporates quickly after they are over. Ever louder echoes of our work should appear in the United States and throughout the world.

URBAN RENEWAL PLAN

Mr. DOUGLAS. Mr. President, the revitalization of the sections of our great urban centers which have undergone economic decline is not a job for the Government alone. Urban renewal is more than the clearing away of old structures and the substitution of new ones. The injection of new vigor and life into the central city communities of the Nation requires the cooperative efforts of businesses, community associations of various kinds, and of local, State, and Federal governments.

An article which appeared in the February 1962 issue of the Illinois Banker about the Englewood section of Chicago, provides a fine example of how local business interests can provide the initiative for community revitalization.

I ask unanimous consent that this article, entitled "Unique Urban Renewal Plan Revitalizes Ailing Shopping Area," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNIQUE URBAN RENEWAL PLAN REVITALIZES AILING SHOPPING AREA

A neighborhood shopping area which 3 years ago had "the pall of sure death on its brow" has today become one of the brightest and most prosperous shopping areas in the world.

More importantly, observers say the community's spectacular recovery may well point the way for other cities faced with revitalizing their downtown areas.

The community, known as Englewood and located on Chicago's southside, had more than the average city's normal share of problems. Not only were numerous suburban shopping centers and the downtown Loop draining away its previous flow of shoppers and dollars, but the continual downhill pattern was having a demoralizing effect upon many merchants and property owners.

One merchant summed it up: "I've been in business here a long time, but the whole section is getting to be like an automobile I once had. It was a good car—until after a while it gave so much trouble I wanted to just walk off and leave it."

And "walk off" is what a lot of business people did. For example, when a large department store at the main intersection in the heart of Englewood had the building condemned following a fire, the owner chose to use the insurance coverage to move elsewhere.

For 6 years the vacant corner was thus left to serve as a reminder that "the world's largest neighborhood shopping area" also possessed one of the world's largest community problems.

Finally in 1958 it appeared the entire community was beginning to want to walk off and get away from itself.

NEW LEADERSHIP

Ironically, the man who was most instrumental in reversing the downward trend to oblivion is a soft-spoken Georgia-born bank president who arrived in Englewood just in

time to see the community reach its lowest ebb.

The banker, W. Norbert Engles, had been assigned to take over as president of the Chicago City Bank & Trust Co.—largest bank on the southside and located in the center of a sagging shopping area.

Actually he had not been recruited from another bank, but rather from the Small Business Administration in Washington. His conspicuously successful background in working with independent business enterprises throughout the country, convinced the owners of Chicago City Bank & Trust (bought in 1958 by Diversa, Inc.) that Mr. Engles could do a better job than anyone else in strengthening the bank's position.

But his job, as Mr. Engles saw it, was to first spearhead a campaign to strengthen the community itself.

When Mr. Engles had been in his new position less than 6 months, he was asked to breathe new life into the 40-year-old Englewood Businessmen's Association.

The results of his efforts, as president of both the bank and the association, are now a matter of record and arithmetic.

Not only was the trend to oblivion halted, but the curve of gross business volume gradually climbed to show a 25-percent improvement for the first 2 years (from $80 million in 1958 to more than $100 million in 1960). And advance figures indicate the curve has reached an even steeper pitch upward for 1961.

SECRET OF SUCCESS

According to Mr. Engles, the most important step in the entire campaign was that of creating a new kind of hope and determination in the community.

In short, it was a problem of selling businessmen on the idea of joining forces and helping themselves with a sort of do-it-yourself urban renewal program.

Evidence of his association's work is everywhere. As an example:

The vacant corner where the department store had stood was immediately recognized as a kind of monument to failure Certainly this vacant property, valued at $500,000 but serving as hardly more than a place to display circus and campaign posters, was not a suitable hub for his association's wheel of progress.

Efforts were made to inspire enough confidence in outside investors to build a profitable structure on the vacant corner. When there were no takers, Mr. Engles took the most logical (and most difficult) approach.

FORMS VIGILANTES

He formed a vigilantes group called the Englewood Community Corp. and set out to sell debentures and shares of stock to merchants and businessmen throughout the area. He did not sell the idea of earning a quick profit (indeed, the investors were guaranteed only a 2-percent return). Instead he sold the concept of investing in the community.

After several months of intensive selling, the corporation had raised $425,000 toward the $725,000 that was needed. For the other $300,000 Engles went before his own board of directors and asked for a loan. The collateral offered? Not the profit from a new building across the street. The mortgage rather was on the bright future of a revitalized community.

Today, the modern building has been completed and is profitably leased to the Walgreen drug chain.

MERCHANTS BUY LIGHTS

Another typical victory for Mr. Engles and his businessmen's committee was through a tedious but effective merchant-to-merchant campaign to "throw some real light on the community."

Old fashioned lightpoles have now been removed from the streets and replaced with such modern facilities that it now is credited with being "one of the brightest spots in the world."

Significantly, the merchants and property owners themselves are paying the entire cost of the installation, maintenance, and additional power of the new lighting system.

This feat was achieved by approaching each merchant and stressing the vital importance of the appearance of the area, even at night.

With each streetlight installation costing $2,000 and electric power estimated at $50 per month for each installation, the merchants nonetheless enthusiastically supported the program.

Total cost for the new lighting system was $500,000.

Recently, when the new system was ready, Mr. Engles and many thousands of Englewood citizens gathered at the central intersection to hear messages of congratulations from Vice President LYNDON B. JOHNSON and Chicago's Mayor Richard J. Daley.

Both dignitaries praised the committee and the community as a whole for having staged a spectacular recovery and thus setting a pattern for other troubled shopping communities throughout the country.

JOB NOT OVER

Admittedly, the job is not over; but Mr. Engles and the other businessmen of Englewood are confident the hardest part is behind them.

Businessmen in Englewood realize that the banker from Georgia by no means accomplished the revitalization alone, yet they are eager to point him out as the man who provided the leadership and fortitude that sparked the spectacular recovery program.

AMENDMENT OF UNITED STATES CODE RELATING TO CIVIL RIGHTS

Mr. HART. Mr. President, on March 22 the Senate was operating under a parliamentary procedure which restricted remarks which then might be made. On that date I introduced S. 3059, a bill recommended by the Attorney General of the United States. I wish now to make a very brief summary, and I add the note, hopefully, that the Senate may take favorable action on the bill.

S. 3059 would amend title 18 of the United States Code. It is intended thereby to eliminate some of the more serious difficulties which have been encountered in regard to prosecution of cases involving police brutality. This has been a subject on which the Civil Rights Commission has made some specific recommendations. It is a subject which the Congress has had before it in various forms many times prior to this date.

The Attorney General's recommendation appears to me to be completely justified. If the bill is enacted into law, it will go far toward providing adequate sanctions in cases involving persons, acting under color of law, who have infringed upon the rights of American citizens.

As will be seen in the letter from the Attorney General, which I shall ask to have printed in the RECORD at the conclusion of my remarks, there has been serious difficulty both in regard to obtaining indictments and in regard to court actions, which do not result in convictions because of the complexity which is introduced in the establishment of intent.

Specific intent on the part of police officers is made difficult to prove because of the present general nature of existing statutes and the rule of law laid down by the Supreme Court in the case of Screws against United States.

I ask unanimous consent that the letter which the Attorney General addressed to the Vice President when he transmitted the language of the bill may be printed in the RECORD, along with the text of S. 3059.

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). Is there objection to the request of the Senator from Michigan?

There being no objection, the letter and bill were ordered to be printed in the RECORD, as follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D.C., March 20, 1962.

The VICE PRESIDENT,
U.S. Senate, Washington, D.C.

DEAR MR. VICE PRESIDENT: Enclosed for your consideration and appropriate reference is a legislative proposal "to amend chapter 13 of title 18 of the United States Code relating to civil rights."

This Department has encountered a number of difficulties in prosecuting cases of police brutality under 18 U.S.C. 242. Under that section it is a misdemeanor for any person, acting under color of law, willfully to subject any inhabitant of any State, Territory, or district to the deprivation of any rights, privileges, or immunities secured or protected by the Constitution or laws of the United States. The generality of the statutory language makes it difficult to impress upon grand and petit jurors the specific nature of the offense. Further, the specific intent requirements laid down by the Supreme Court in *Screws* v. *United States*, 325 U.S. 91, have permitted offending police officers to raise the defense that they did not know of the particular constitutional guarantee they were charged with violating, let alone have the specific intent to violate it. A further difficulty in prosecuting under section 242 is the inadequacy of its misdemeanor punishment for offenses that have resulted in severe injury to the victim—or even death.

The proposed bill would meet these difficulties. Its application is limited to summary punishment and coerced confession cases, which make up virtually all of the cases which this Department handles under section 242. The specific intent is spelled out in the bill. Aggravated punishment is provided for cases involving injury or death.

Though bills have frequently been introduced in the Congress to meet the above difficulties, they have sought to achieve their purpose by amending existing sections of the law. I believe that a better method is to enact a new code section such as that set forth in the attached proposal. In this manner, prosecutive difficulties can be eliminated in many cases, while at the same time preserving the flexibility found in the present statute.

The Department therefore urges the early introduction and favorable consideration of this legislation.

The Bureau of the Budget has advised that there is no objection to the submission of this recommendation.

Sincerely,

ROBERT F. KENNEDY,
Attorney General.

S. 3059

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 13 of title 18 of the United States Code is

amended (a) by adding at the end thereof the following new section:

"§ 245. Imposition of summary punishment and coercion of statements

"Whoever, under color of law, statute, ordinance regulation, or custom, strikes, beats, assaults, injures, or threatens or attempts to strike, beat, assault, or injure the person of another for the purpose of inflicting summary punishment upon such other person or for the purpose of compelling such other person to make any statement shall be fined not more than $1,000 or imprisoned not more than one year, or both: *Provided*, That if physical injury results the punishment shall be by fine of not more than $5,000 or imprisonment for not more than five years or both, and if death results the punishment shall be by imprisonment for any term of years or for life.

"For the purposes of this section, summary punishment means any injury inflicted otherwise than in accordance with the procedures prescribed by State or Federal law or regulation."

(b) By adding at the end of the table of sections for chapter 13 of title 18 of the United States Code the following:

"245. Imposition of summary punishment and coercion of statements."

ALOHA WEEK AT MICHIGAN STATE UNIVERSITY

Mr. HART. Mr. President, I wish to extend to the Members of the Senate and to the readers of the CONGRESSIONAL RECORD a very warm welcome on behalf of Michigan State University, East Lansing, as it approaches its Aloha Week.

The Michigan State University Hawaiian Club and Student Government Association, an all-student work group, have sponsored what I am sure will be a most enjoyable and colorful affair. The profits to be derived from this activity, which will extend from April 30 through May 5, will be divided between the general student scholarship fund of Michigan State University and a fund for scholarships for students attending the East-West Center of the University of Hawaii.

Additionally, it is intended to acknowledge the efforts of Michigan State University in behalf of international education and the attempt to create better relationships and understanding between the United States and Asiatic countries through the East-West Center.

There are 41 Hawaiian students attending the Michigan State University, and this activity will provide them an opportunity to present to Michigan State University students the customs, the history, and the cultural background of our 50th State.

I was visited by a delegation of Michigan State University student leaders who came to this city in order to inform the Nation generally of their activities and interests.

TENTH ANNIVERSARY OF THE U.S. ESCAPEE PROGRAM

Mr. HART. Mr. President, we have just marked the 10th anniversary of the U.S. escapee program. On March 22, 1952, President Truman determined that mutual security funds should be made available to implement the escapee program, a program first authorized by the Mutual Security Act of 1951. As my colleagues know, the escapee program is administered by the Department of State to provide reception, material aid, resettlement and assurance in making local adjustment for escapees from Communist-bloc countries.

It is a program which operates primarily through contracts with voluntary agencies which carry out individually approved projects to assist in the resettlement and adjustment of qualified escapees. The agencies are reimbursed by the program for the expenses incurred in these activities. Under close supervision of USEP officials, all projects are in keeping with the humanitarian objectives of the agencies and the overall operational objective of establishing the escapees as self-sustaining and useful citizens of the free world community whether in this country or abroad. In so doing the program has helped to alleviate the frequently serious economic and political impact of the escapees on the countries in which they seek asylum, thus enhancing the economic and political stability of the free world.

Over the past decade, more than 926,000 persons have been assisted through the escapee program at a total cost of just under $55 million. Over 54,100 of these escapees have been admitted to the United States. The remaining persons have stayed in the countries of first asylum, or have been resettled in other parts of the world.

There is no yardstick with which to measure accurately the impact of our refugee policies on our foreign relations or the strength of the free world. But I suggest that our treatment of refugees and escapees does play a vital role in this regard. USEP, certainly, has been a highly successful program and a good investment in free world security. It has demonstrated tangibly America's traditional humanitarianism for oppressed and persecuted people, the constancy of our opposition to communism, and our concern for those enslaved by its tyranny. By maintaining and strengthening the escapees in the processes of democracy, USEP has also served to blunt considerably the effectiveness of the Soviet propaganda campaign for the redefection of escapees from communism. All of these things are important in our struggle for the vindication of democracy's belief in the individual worth of human beings.

Mr. President, the Subcommittee on Refugees and Escapees, of which I have the honor to serve as chairman, has proposed in its recent annual report a review of USEP. Such a review will establish a record of the program's achievements over the last 10 years, and would evaluate its present position and determine the level and nature of its future operations in the light of changing conditions. Experience has taught us that refugee problems are anything but static. They constantly change in nature, in dimensions and in location. They are not problems which can be defined at once for all time. So I am hopeful that the subcommittee will be able to conduct its proposed investigation within the very near future, for the information of Congress and the American people.

In this connection, I am also hopeful that the Senate will soon consider the Migration and Refugee Assistance Act of 1962. Among its provisions authorizing American participation in refugee programs, is one which provides for the continuation of USEP. While it is true that considerable progress had been made in reducing the caseload of USEP, under present conditions we must anticipate a flow of escapees for some time into the future. I attach great importance to this bill, and believe its passage is urgent—not only for the continuation of USEP, but also for the other programs the bill authorizes, including the Cuban refugee program.

A few days ago I received a booklet containing letters transmitted to President Kennedy on the escapee program. The letters were written by representatives of 12 participating voluntary agencies, and were kindly sent to me by Mr. James P. Rice, chairman of the Committee on Migration and Refugee Problems of the American Council of Voluntary Agencies for Foreign Service, Inc. These letters tell a success story, Mr. President, one in which all Americans should be proud. As one is concerned with matters in this area, I commend the Congress for its support of USEP, the State Department for its efficient administration, and the voluntary agencies for their unqualified dedication to the cause of freedom. As it is true of most refugee programs, it is the voluntary agencies and their representatives on the scene who are the essential links between the program and the people in need.

I ask unanimous consent that a list of American voluntary agencies writing letters to President Kennedy, and excerpts from these letters, including a transmittal letter to the President from Mr. Rice, be printed at this point in the RECORD.

There being no objection, the list, letter, and excerpts were ordered to be printed in the RECORD, as follows:

LIST OF AMERICAN VOLUNTARY AGENCIES SENDING LETTERS TO THE PRESIDENT OF THE UNITED STATES

American Jewish Joint Distribution Committee.
American Fund for Czechoslovak Refugees.
American ORT Federation.
Catholic Relief Services-National Catholic Welfare Conference.
Church World Service, National Council of the Churches of Christ.
Cooperative for American Relief Everywhere (CARE).
International Rescue Committee.
Polish American Immigration and Relief Committee.
Tolstoy Foundation.
United Hias Service.
United Ukrainian American Relief Committee.
American Friends of Russian Freedom.

AMERICAN COUNCIL OF VOLUNTARY AGENCIES FOR FOREIGN SERVICE, INC.,
New York, N.Y., March 19, 1962.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: On the occasion of the 10th anniversary of the U.S. escapee program, I have the honor to transmit to you

herewith letters from 12 voluntary agencies who wish to express their appreciation for the achievements of this program.

On behalf of us all, may I respectfully express to you our deep conviction that the U.S. escapee program is a unique instrument of our Government which demonstrates for the whole world how to combine a useful instrument of our foreign policy with our traditions of humanitarianism and devotion to the cause of freedom. We feel that it is particularly appropriate to address these letters to you not only because you are our President during this crucial period of our history, but because it has been the privilege of many of us to have worked with you when, as Senator from Massachusetts, you gave your support and leadership to a number of legislative measures to assist victims of oppression. Thousands of these former refugees are today taking their place as citizens and supporters of our democracy. The voluntary agencies representing all sectors of the American people are proud of the role that we and the representatives of our Government have played in making this possible.

Sincerely yours,

JAMES P. RICE,
Chairman, Committee on Migration and Refugee Problems.

EXCERPTS FROM LETTERS TO THE PRESIDENT OF THE UNITED STATES FROM AMERICAN VOLUNTARY AGENCIES

It is these refugees, numbering hundreds of thousands, living normal lives, in freedom, in almost every country of the free world who are the testimony to the effectiveness of the U.S. escapee program. USEP because of its operation through private organizations, has been able to function with flexibility to meet needs as they arose, and to mobilize the resources of the private, voluntary groups in many lands.

It is on behalf of these grateful refugees that we offer on this 10th anniversary, a word of deep appreciation to the Congress and to you, Mr. President, for your constant interest and support of the program. This tribute would likewise, not be complete, without a word of thanks to those in Government who have been responsible for the administration of the escape program. They are devoted public servants who have earned the respect of all who have worked so intimately with them for the past 10 years.

Most Rev. EDWARD E. SWANSTROM,
Executive Director, Catholic Relief Services, National Catholic Welfare Conference

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Today marks the 10th anniversary of a vital American effort which commenced as the President's escapee program. Now an integral part of the Department of State, the U.S. escapee program has gained affection and respect from hundreds of thousands of refugees fleeing totalitarianism. It is appropriate that we in Church World Service should take this occasion to express to you our sincere appreciation for the leadership and strength that devoted USEP officials have provided throughout this past decade. We are gratified that Congress and the private American community join with us in expression of approval for the achievements of USEP as witnessed by recent legislative developments.

JAMES MACCRACKEN,
Director, Immigration Services, Church World Service, National Council of the Churches of Christ.

The American people can take great pride in this unique humanitarian endeavor which has provided both freedom and dignity to so many thousands of victims of totalitarianism.

The American people have, however, benefited to a far greater extent than is generally appreciated. Permit me to cite three refugees who were resettled in the United States with the active participation of the U.S. escapee program by the International Rescue Committee in recent years in order to demonstrate the contributions which they and their fellow refugees have made.

They have enriched our store of knowledge, broadened our culture, and contributed substantially to our economy. As we enter a new decade, it is the earnest hope of the International Rescue Committee that the U.S. escapee program will continue to enjoy the full support and dedicated cooperation of the U.S. Government and the American people.

WILLIAM J. VANDEN HEUVEL,
President, International Rescue Committee.

POLISH AMERICAN IMMIGRATION AND RELIEF COMMITTEE.

The program displayed our American alertness and necessary flexibility. It proved that, as a nation, we are responsive to occurring world changes, but that the essential concept of our open-door policy and assistance to the oppressed remains the cornerstone of our policy. The dramatic search for freedom, without regard to price, will undoubtedly continue for years to come. The dynamic and deeply penetrating methods of Communist conspiracy demand from us a vigorous counteroffensive. Our assistance to those who in protest flee the Communist paradise is an important political and psychological weapon. It is so especially, if we are to continue the message of hope to the enslaved people of Poland and other captive nations.

We sincerely hope that the U.S. escapee program will continue to fulfill its important mission with undiminished force and the same broad vision.

Rt. Rev. Msgr. FELIX F. BURNT,
President.
WALTER ZACHARAIASIEWICZ,
Executive Vice President.

We consider it a privilege to express our appreciation and gratefulness on behalf of hundreds of thousands who have benefited of American generosity through one of its established channels—the U.S. escapee program (USEP) of the Department of State—celebrating its 10th anniversary of service in the field of foreign aid.

The task bestowed upon this arm of the American Government by the will of Congress in implementing the Kersten amendment was one of the most sensitive and responsible manifestations of the firm will of the American people to stretch out their helping hand to all those, who sought freedom from behind the multicolored curtains and walls, erected by the evil force of international communism. USEP became instrumental in alleviating the suffering of countless victims of political instability, lack of freedom, and outright terrorism, reigning in their homelands.

ALEXANDRA TOLSTOY,
President, Tolstoy Foundation.

On the occasion of the 10th anniversary of the U.S. escapee program, United Hias Service wishes to express its deep appreciation for this historic undertaking by our Government.

The 10th anniversary of USEP is not merely a climax to a long list of substantial achievements, but marks a vantage point of invaluable experience from which the continued challenge to democratic ideals must be met in the days and years ahead. In helping to meet this challenge, we of United Hias Service are immeasurably encouraged by the support of the U.S. escapee program. We extend our congratulations for past achievements of the program and express our hope that our Government will continue to carry out its purposes in the difficult days ahead.

JAMES P. RICE,
Executive Director, United Hias Service.

CUBAN REFUGEES

Mr. HART. Mr. President, one of the most pressing matters in the United States today involves the future of Cuban refugees. A hundred thousand or more of them are concentrated in the Miami-Dade County area in southern Florida. They are a highly diversified occupational group, but they find very limited employment opportunities in southern Florida where tourism is the principal industry. Over half of them are dependent on public cash assistance. A major resettlement program for the Cubans is essential to their welfare as well as that of Florida and the Nation as a whole.

An important part of a successful resettlement program is one of informing the American people of the seriousness of the plight of the Cubans. Helpful to this end is an excellent editorial on the resettlement of Cuban refugees, published in the Washington Post of April 2. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

RESETTLING REFUGEES

Nearly 2,000 Cubans, refugees from Castro's tyranny, continue to arrive in Miami, Fla., each week. About 125,000 of these uprooted people have come to the United States since Castro came to power in their homeland. Some 25,000 have moved from Florida to other parts of the country, leaving perhaps 100,000 clustered in Miami with half of them on relief. Another 100,000 will come in before 1962 is ended.

These are good people with a love of freedom which entitles them to a welcome here. Concentrated in Miami, they present a problem, however. Understandably, they are inclined to stay there, 90 miles from their Communist-dominated island, waiting for friends and relatives to join them, hoping that some sudden political development will throw Castro out of power and enable them to go home again. Their situation during the busy Florida tourist season of booming business has not been as bad as it might have been. With the slacking off of the tourist trade, jobs are likely to be much more scarce.

The only real solution for these people is to move to other parts of the United States where they can find work and places to live. Miami, supported by the Federal Government through the Department of Health, Education, and Welfare, has dealt with them generously. It is time now for other communities to help in extending hospitality to the refugees by giving them a chance to resettle. "The resettlement program is the key to the whole Cuban refugee problem," Secretary Ribicoff said recently. The U.S. Employment Service can be counted on for assistance, and HEW will play its part in providing relief and medical care if necessary.

But the resettling job will have to be done by voluntary agencies—by the several religious groups which have always responded so warmly to human needs in the United States. They, in turn, must have support from local

communities acting through churches, social agencies and neighborhood groups which will undertake to sponsor refugee families and help them to find jobs and living quarters. The Cuban Refugee Center in Miami is the headquarters for registration of refugees, voluntary resettlement and relief services to which all local groups can hold out a hand of hope and welcome.

REFUGEES HERE AND AROUND THE WORLD: ADDRESS BY MICHEL CIEPLINSKI

Mr. HART. Mr. President, earlier this month Mr. Michel Cieplinski, the Acting Administrator of the Bureau of Security and Consular Affairs, addressed the Indiana Immigration Conference in Indianapolis, Ind. His topic was "Refugees Here and Around the World."

I commend this comprehensive review of the world refugee situation to all concerned with the responsibilities that our Nation, and others have for these unfortunate and destitute peoples.

I ask unanimous consent that Mr. Cieplinski's remarks appear at this point in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REFUGEES HERE AND AROUND THE WORLD

(Remarks by Mr. Michel Cieplinski, Acting Administrator, Bureau of Security and Consular Affairs, before the Indiana Immigration Conference, Indianapolis, Ind., April 3, 1962)

Mr. Chairman, ladies and gentlemen, it is a distinct honor and pleasure for me to participate in this conference devoted to consideration of the problems of immigration and refugees. Because of the scope of the topic assigned to me, I shall be able to give you little more than the highlights of each of the problems.

Let me take a few minutes to describe some of the responsibilities of the Department of State and consular officers abroad in the administration of our immigration laws. As you know, all immigrants who want to come to the United States must be in possession of visas. These visas are issued by American consular officers stationed in foreign countries after they determine that an applicant qualifies for a visa under existing law and that a quota number is available to him if he is subject to quota restrictions. The Department has been making great efforts to select carefully those officers who deal with visa applicants and to train them so that these officers not only understand the law but also the problems each alien may have who applies for a visa. Some 500,000 visas are issued each year. As you also know, once an immigrant arrives at a port of entry, he is double checked by officers of the Immigration and Naturalization Service, an arm of the Department of Justice. An infinitesimal number of aliens holding visas are excluded at ports of entry (less than 100 of some 1,500,000 aliens asking for admission, many of them repeaters). This is the best illustration that our officers do a competent job in screening visa applicants.

During the past few years, our efforts have been concentrated on eliminating red tape in the issuing of visas. Without sacrifice to the enforcement of our laws, we have streamlined and simplified application forms and visa procedures.

The groups represented here, of course, are interested in modernizing our immigration laws. It must be recognized that changes in the immigration laws traditionally have not taken place overnight, but by a gradual development. Many of the changes which have taken place since the enactment of the Immigration and Nationality Act of 1952 were suggested originally by the Department of State. The elimination of fingerprinting of visitors and the elimination of the question formerly put to every applicant for an immigrant or visitor visa to his race and ethnic classification are two of the more important changes in this category. Of course, the Department's interest in changes in our immigration laws is prompted by its concern with our foreign relations. As you know, existing law accords nonquota status to most, but not all, countries in the Western Hemisphere. Foreign policy considerations prompted the Department to emphasize the importance of placing all independent countries within the Western Hemisphere on equal footing by according them nonquota status. Those of you who are interested in some of the Department's views on immigration legislation may want to read the letter the Department addressed to Senator KEATING on September 12, 1961, which was printed in the CONGRESSIONAL RECORD on the same date. The points raised in this letter by no means cover the entire range of the Department's concern with various provisions of the immigration laws, but it is the Department's policy to make its views known only to Congress, in reply to requests for comments on pending legislation or in formal presentation, when occasion arises.

A bill of great interest to the Department, introduced by Congressman WALTER and passed by the House, is now before the Senate. This bill among other things would provide for an important reorganization of the Bureau of Security and Consular Affairs which, if accomplished, in my opinion would go far in improving its efficiency. It would authorize continuation of the Department's refugee and migration programs as well as the Department of Health, Education, and Welfare Cuban refugee activities. In addition it would extend indefinitely the provision of Public Law 86-648 to permit continued admission of a limited number of refugees under the parole process.

Other migration and refugee legislative proposals have been introduced into both the Senate and the House. You are doubtless familiar with many of them particularly the measures introduced by Senators HART, PELL and DODD.

In view of the limits of time it would be impossible for me to give you a detailed inventory of all the refugee problems existing in the world today. For the same reason I could not outline all of the public and private efforts being expended in behalf of these refugees. At best I can identify for you here today only the most pressing of these problems and make a brief comment as to the various programs being conducted in their behalf.

On a global basis there are those who have used a figure of 12.5 million refugees. This figure lacks validity in that it fails to include some recent groups, particularly the newly developing refugees in Africa, while it includes large groups of earlier refugees whom I believe are now firmly integrated into the areas to which they have been resettled. Actually, the world refugee problem today, in terms of refugees who have not yet been reestablished on a satisfactory basis, is in the neighborhood of 3.5 million persons.

The refugee groups best known to most of you are the anti-Communist refugees and escapees in Europe. Of this group the Hungarians made the most dramatic impression on the free world. I am happy to tell you that by dint of the conscientious and generous help of the U.S. Government and other governments of the free world aided by the dedicated voluntary agencies and private citizens of this and other countries the problem of the older refugees in Europe is well on its way to solution. Through the efforts of the U.N. High Commissioner for Refugees assisted by the almost global response to the World Refugee Year emphasis there remain only 9,000 refugees in official refugee camps in Europe. The UNHCR has plans and funds to resettle or provide permanent solutions for all of these persons who have lived so long in drab and sordid camps. There still remain in Europe approximately 50,000 out-of-camp refugees most of whom require varying degrees of assistance in becoming reestablished. The generous world response to these refugees coupled with the greatly improved economic situation in most of the European countries has resulted in a virtual miracle by solving most of the vast refugee problems in Europe including the 200,000 Hungarians who escaped to freedom.

The Federal Republic of Germany has achieved unbelievable success in absorbing well over 13½ million expellees, displaced persons, refugees and escapees. In the West German economy refugees have become an asset rather than a liability. I hasten to add, however, that the refugee problem in Germany as well as elsewhere in Europe is not static. East Zone refugees still find ways of escaping to West Germany in spite of the diabolic wall erected in Berlin and the increased control measures resorted to by the puppet East German regime calling itself a sovereign government. Escapees from the Soviet Union, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, and Albania still manage to penetrate the tight border controls established by the Communists to make sure that their oppressed peoples remain in their self-proclaimed "worker's paradise." Large numbers of Yugoslavs continue to arrive in Italy, Austria, Greece and other European countries.

The flow of escapees and refugees will continue so long as the Communists pursue their attempts to deny individual freedom and to subject all men to a common mold of belief or endeavor. I must call your attention at this point to the fact that not only are the Communists responsible for the conditions which create refugees, but they continue to engage in a costly and widespread program of propaganda and intrigue among the emigre groups in an effort to discredit the humanitarian motives of the free west.

The United States will continue to assist these new arrivals through its U.S. escapee program (USEP). It is of interest to note that the escapee program has just celebrated its 10th anniversary. During the 10 years of its existence USEP has assisted a total of 926,000 escapees from Communist and Communist-dominated countries. They have been given food, clothing, medical and dental care, language and vocational training, counseling and many other benefits. Of this almost 1 million persons, one-third or 330,000 have been helped to become integrated into the countries granting them initial asylum and another 157,000 have been successfully resettled in some 48 countries. Through its generous support of the Intergovernmental Committee for European Migration (ICEM) and the UNHCR, the United States will continue its help to these recent escapees and to the residual group of older refugees still in need of our help.

Another group of anti-Communist refugees to which the United States has made significant contributions, both public and private, are the more than a million refugees from Red China presently in Hong Kong. In spite of the magnificent job which the Hong Kong colonial government is doing for these refugees who make up one-third of the colony's population there still is need for additional aid from international sources. The needs to be met encompass housing, medical and clinical services, education, and in many instances food and clothing. In

addition to a liberal World Refugee Year contribution for construction of a refugee center, schools and clinics, the United States provides annually approximately $1 million in cash and surplus foods estimated at $5 million for these refugees.

External resettlement of these refugees is not the solution except for a relatively few who will find migration opportunities. The answer lies in their being assimilated into the economy of Hong Kong. This process will continue to be required for those already there and more importantly for the estimated 50,000 arriving each year.

Another 50,000 Chinese refugees present a serious problem to the authorities in Macau. Assistance to this group is limited and consists primarily of U.S. help.

A relatively small but highly significant problem is that of the White Russian refugees arriving in Hong Kong from Red China. Over 20,000 of these refugees, who are fleeing communism for the second time, have already been resettled by ICEM and the UNHCR and some 6,000 still in China are expected to come out over the next several years. The United States has contributed substantially to this resettlement program and will continue to do so until the problem is finally resolved.

The 60,000 Tibetans who have escaped the Communist Chinese takeover of their country are now in India and Nepal represent one of the most pitiful groups of refugees anywhere in the world. Limited private aid has gone into both India and Nepal. The United States has made available both surplus food and cash to meet as many of the needs as possible. U.S. funds are being used to augment private funds in helping to relocate Tibetan young people and children in Europe, particularly in Switzerland where a Swiss organization is doing a splendid job in attempting to extend vocational training and understanding of Western culture to develop these young Tibetans into future leaders.

Most of you are aware at least to some degree of the more than 100,000 Cuban refugees who have fled to this country to escape the oppression and totalitarian measures forced upon them and their peace-loving relatives by Castro and his Communist henchmen. The United States has now become a country of first asylum and finds itself confronted with the same problems and expenses of helping a large number of refugees which have been faced by other countries abroad. Voluntary agencies and citizens' groups are helping the Department of Health, Education, and Welfare to cope with this stupendous problem. The primary difficulty lies in reducing the burden on the State of Florida, Dade County, and the city of Miami where the bulk of these proud and able people are congested. Their numbers, if distributed over the country, would present practically no problem from a housing, employment, or welfare standpoint, but localized as they are in Florida and in New York City these refugees are creating serious social, economic, and political problems, the solution to which requires immediate and careful resettlement throughout the country. Each community must become as generous as it was in accepting Hungarians by providing for its share of these close friends and violently anti-Communist neighbors.

The victims of political stalemate, more than a million Palestine refugees continue to present a pathetic picture in the several Middle East countries. The solution to their problem presents some of the most politically sensitive issues facing the United Nations. Until these issues can be resolved the problem will remain acute and the present relief program of the United Nations Relief and Works Agency (UNRWA) must continue. The United States supports this Agency to approximately 70 percent of its annual $35 million budget.

The Director of UNRWA has recently launched an appeal for funds to increase and intensify the vocational training facilities for the young people of this pathetic group. Since the limited programs of this type have had excellent results it is hoped that the approximately 3,000 young men now being helped to secure jobs and independence can be increased materially.

Within recent weeks the future of the more than 300,000 Algerian refugees in Tunisia and Morocco seems more helpful. These refugees consisting mainly of women, children, and elderly men were forced from the war areas in Algeria. They have been cared for by the combined efforts of the United Nations High Commissioner for Refugees and the League of Red Cross Societies. The United States has been a primary supporter of these activities both in cash and in large supplies of surplus foods.

A cease-fire in Algeria will not in itself end the problems of these refugees, for as they return to their war-damaged farms and desert villages, they will be forced to share with more than 2 million other Algerians presently displaced within Algeria the problems of rehabilitation and of reconstruction of their personal economies. I can assure you that your government and other governments sympathetic to the plight of these people will do the utmost to help these victims of political upheaval achieve as rapidly as possible a return to normal living.

It is not necessary for me to go into any details with reference to the millions of Hindu refugees in India and Moslem refugees in Pakistan who were created by the partition of India in 1947 and subsequent events. The overwhelming bulk of these refugees have now been successfully integrated in their countries of present residence, and the authorities in these countries are actively pursuing similar solution for the relatively small residual numbers. I can also mention that the more than 850,000 North Vietnamese moved from the presently Communist-controlled areas in North Vietnam have been so successfully integrated into South Vietnam that they no longer constitute a problem. Similar success can be reported for the North Korean refugees in South Korea.

Scattered elsewhere throughout the world but particularly in southeast Asia are pockets of refugees, mostly Chinese who are in varying degrees of need but also including 50,000 anti-Communist Lao refugees in Laos who have been displaced from their tribal homes by Communist guerrilla activity and for whom the United States is providing emergency assistance.

In Africa, the historic march toward independence of states which for generations have been colonial possessions has more often than not been accompanied by strife and political upheaval, creating new refugee problems of serious proportions. More than 150,000 refugees fled from Angola to the Republic of the Congo, while within the Congo over 300,000 Baluba refugees have required relief assistance in the Provinces of Katanga and Kasai. Elsewhere tens of thousands of other refugee tribesmen present similar problems in Togo, Ruanda-Urundi, Uganda, and Tanganyika. In all of these the U.S. Government, operating as much as possible through the United Nations, the League of Red Cross Societies and the UNHCR, has poured in surplus food items and assisted with cash contributions where required.

You may ask why must the United States feel it necessary to support refugee programs to the extent it does. Or, you may want an answer to the question of how long will new refugee problems continue to emerge? Is there any hope that the day will come when there will be no refugee problems to challenge the conscience and command the attention of civilized mankind?

The answer to the latter is simpler. As long as modifications in political entities are made and geographic boundaries are changed, each bringing with it inevitable changes in leadership and followers, there will be those who are forced or choose to flee to escape political persecution or economic oppression. As long as there are totalitarian regimes, whether Communist or any other form of despotism, there will be refugees and escapees in need of a helping hand. I have mentioned the great achievements made in reducing the staggering numbers of displaced persons, refugees, and escapees. I have called your attention to the fact that the refugee problem is not static. Therefore, my answer must be that until mankind finds the formula to live in complete peace and harmony one with another, and when the dignity of man is given due and proper recognition, then and then only will the problems of refugees vanish.

The interest of the U.S. Government and the interest of the American people in refugees is as natural as the American way of life. I believe President Kennedy gave the best answer to this question in his letter last July to the Congress in explanation of his requested refugee and migration legislation:

"The United States, consistent with the traditional humanitarian regard of the American people for the individual and for his right to a life of dignity and self-fulfillment, should continue to express in a practical way its concern and friendship for individuals in free world countries abroad who are uprooted and unsettled as the result of political conditions or military action.

"The successful reestablishment of refugees, who for political, racial, religious, or other reasons are unable or unwilling to return to their country of origin or of nationality under conditions of freedom, dignity, and self-respect, is importantly related to free world political objectives. These objectives are: (a) continuation of the provision of asylum and friendly assistance to the oppressed and persecuted; (b) the extension of hope and encouragement to the victims of communism and other forms of despotism, and the promotion of faith among the captive populations in the purposes and processes of freedom and democracy; (c) the exemplification by free citizens of free countries, through actions and sacrifices, of the fundamental humanitarianism which constitutes the basic difference between free and captive societies.

"Some refugee problems are of such order of magnitude that they comprise an undue burden upon the economies of the countries harboring the refugees in the first instance, requiring international assistance to relieve such countries of these burdens."

It is for these reasons that the United States since the end of World War II has admitted more than 800,000 refugees, escapees, and displaced persons. During that same period the United States has expended over $1.5 billion in direct appropriations for refugee programs in addition to other assistance provided indirectly through our foreign-aid programs in behalf of refugees affording asylum to refugees.

These then are the highlights of the problems of refugees here and around the world.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. On behalf of the Vice President, the Chair announces the appointment of Senator CARROLL, vice Senator BIBLE, to be a member of the Board of Visitors to the U.S. Air Force Academy.

On behalf of the Vice President, the Chair also announces the following appointments to the Mexico-United States

Interparliamentary Conference, to be held in Washington, D.C., from May 14 to May 17, 1962, pursuant to the provisions of section 1, Public Law 86–420:

Senators SPARKMAN, MORSE, ENGLE, SMATHERS, GORE, GRUENING, METCALF, CAPEHART, KUCHEL, GOLDWATER, and TOWER.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, April 17, 1962, he presented to the President of the United States the following enrolled bills and joint resolution:

S. 683. An act to amend the Communications Act of 1934, as amended, by eliminating the requirement of an oath or affirmation on certain documents filed with the Federal Communications Commission;

S. 1371. An act to amend subsection (e) of section 307 of the Communications Act of 1934, as amended, to permit the Commission to renew a station license in the safety and special radio services more than 30 days prior to expiration of the original license;

S. 1589. An act to amend the Communications Act of 1934 to authorize the issuance of radio operator licenses to nationals of the United States;

S. 2522. An act to defer the collection of irrigation maintenance and operation charges for calendar year 1962 on lands within the Angostura unit, Missouri River Basin project; and

S.J. Res. 147. Joint resolution providing for the establishment of the North Carolina Tercentenary Celebration Commission to formulate and implement plans to commemorate the 300th anniversary of the State of North Carolina, and for other purposes.

ADJOURNMENT UNTIL THURSDAY NEXT

Mr. HART. Mr. President, if there is no further business, I move that the Senate stand in adjournment until 12 o'clock noon on Thursday.

The motion was agreed to; and (at 5 o'clock and 27 minutes p.m.) the Senate adjourned until Thursday, April 19, 1962, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 17, 1962:

U.S. MINT

Earl F. Haffey, of Colorado, to be Assayer of the mint of the United States at Denver, Colo.

MISSISSIPPI RIVER COMMISSION

Brig. Gen. Ellsworth Ingalls Davis, O18658, U.S. Army, to be a member and President of the Mississippi River Commission, under the provisions of section 2 of an act of Congress approved June 28, 1879 (21 Stat. 37; 33 U.S.C. 642).

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 17, 1962

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Luke 19: 38: *Blessed be the King that cometh in the name of the Lord.*

Eternal and ever-blessed God, we have entered upon Holy Week, commemorating days in the life of our Lord whose significant meaning and majestic wonder we cannot fully comprehend.

We thank Thee for the King of Kings, who on Palm Sunday ushered in these memorable days by proclaiming His sovereignty over the spirit of man and of whose wise and beneficent rule there shall be no end.

Grant that in this week of solemn and sacred memory we may understand more clearly that the kingdom of righteousness and peace for which we are praying and laboring can never be established until the heart of humanity is moved and controlled by the power of sacrificial love.

To Thy name we shall ascribe the glory. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 11027. An act to amend the Agricultural Adjustment Act of 1938, as amended.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 11038. An act making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HOLLAND, Mr. HAYDEN, Mr. RUSSELL, Mr. HILL, Mr. MCCLELLAN, Mr. MAGNUSON, Mr. YOUNG of North Dakota, Mr. SALTONSTALL, and Mr. MUNDT to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 320) entitled "An act to amend the provisions contained in part II of the Interstate Commerce Act concerning registration of State certificates whereby a common carrier by motor vehicle may engage in interstate and foreign commerce within a State," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SMATHERS, Mr. HARTKE, Mr. MCGEE, Mr. MORTON, and Mr. CASE of New Jersey to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 205) entitled "An act to expedite the utilization of television transmission facilities in our public schools and colleges, and in adult training programs."

USE OF DOGS IN LAW ENFORCEMENT, DISTRICT OF COLUMBIA

Mr. JAMES C. DAVIS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 10440) to authorize the acquisition, training, and maintenance of dogs to be used in law enforcement in the District of Columbia.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Commissioners of the District of Columbia, acting through the Chief of Police of the Metropolitan Police force of the District of Columbia, are authorized to acquire, train, and maintain a total of not to exceed one hundred dogs to be used in connection with law enforcement in the District of Columbia.

With the following committee amendment:

Page 1, line 6, strike out "a total of not to exceed one hundred dogs" and insert "as many dogs as may be necessary."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. JAMES C. DAVIS. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks at this point in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. ASHMORE. Mr. Speaker, I wish to lend my full support to the passage of this bill (H.R. 10440). As stated by the chairman of the subcommittee, Mr. DAVIS, the bill would authorize the District of Columbia to acquire, train, and maintain as many police dogs as the police department may deem necessary to be used in connection with law enforcement in the city of Washington.

When we stop and think for a moment what the crime conditions are in our Capital City, it makes many of us blush with shame. The crime rate in our Capital City ranks near the top among all cities in the Nation. Physical crimes lead the list with assaults, yokings, muggings, and robberies occurring in every conceivable place. The number of rapes and murders are astounding. All of the facts and circumstances prove that strict law enforcement is essential for the protection of both the personal and property rights of those who reside or visit in Washington.

In an effort to increase the capability of the law enforcement officers of the District of Columbia, six dog teams were placed on the streets of the city in April 1960. By the end of that year, the number had increased to 20 such teams, and today the corps has 45 dog teams on the streets and 6 more in training, making a total strength of 51.

The effectiveness of the canine corps as an arm of the Metropolitan Police force may be evaluated from the following statistics for the calendar year 1961, which were submitted to the committee by the Police Department:

Number of arrests made by men with the assistance of dogs, classified according to types of offenses: housebreaking, 62; robbery, 37; assault, 21; larceny, 13; disorderly, 14; homicide, assaults on police officers, destroying property, and so forth, 50; total, 197.

This total constituted 40 percent of all the arrests made by these men during that year.

In addition to their actual participation in these areas, the dogs of the canine corps have proved invaluable on many other occasions by the deterrent effect of their mere presence at the scene of actual or potential trouble. The dogs' keen sense of smell enables them to locate fugitives hiding in buildings, junkyards, and other places where the policemen would otherwise have a most difficult and dangerous task in apprehending them.

It is the hope of the Metropolitan Police Department that these dog teams might be built up to a total of 100 within the next 2-year period. Thus far, all the dogs used by the police department have been donated by civic-minded people. However, in all probability, it will be necessary to purchase some of the dogs in the future, and it is estimated that they may cost as much as $250 each. Another item of expense in providing these dog teams is the food and veterinary care for the animals, plus the maintenance of fenced yards and a small additional compensation to the police officers who handle the dogs and are charged with their care, keep, and transportation.

The cost of adding 25 more man-dog teams to the present canine corps is estimated to be approximately $19,000. It is hoped that these 25 additional teams can be acquired, trained, and ready for police work within the next 12 months. It is the unanimous opinion of the officials and technicians who have been in charge of this work during the past 2 years that this new arm of the law-enforcement agency of this city has been an invaluable asset as a strong weapon against the appalling crime situation in Washington.

Hearings were held on this bill and the witnesses were unanimously in favor of the continuation and the enlargement of the canine corps, except for the opposition of one organization. The only organization to express opposition to the use of police dogs was the Congress of Racial Equality (CORE). The record shows that this group picketed the Metropolitan Police Department in opposition to the acquisition, training, and use of additional police dog teams. It is impossible to understand how CORE or any law-abiding group of citizens would be so narrowminded and unreasonable as to object to the Police Department improving its quality and capability in law enforcement. The sole purpose of the Police Department, as well as the passage of this bill, is to provide greater and more complete protection to the property and people in Washington.

Each police dog is at all times under the control of the police officer who has him in charge. The dog never attacks anyone unless directed to by his teammate, the police officer. Both grown folks and children pet and fondle the dogs on the street and there has not been one single incident of any person having been injured by any dog. These dogs have been compared to a soldier who is trained to fight but who never fires his gun until he is actually at war.

This bill should be passed by an overwhelming vote, because it adds strength to law and order and provides additional means of reducing the outrageous rate of crime in our Nation's Capital.

CONSTRUCTION OF PUBLIC HARBOR ON SHORES OF LAKE MICHIGAN IN INDIANA

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I have asked for this minute to report that today, together with other Members of this body and the other body, I have introduced a bill to authorize the construction of a public harbor on the shores of Lake Michigan in my district in the State of Indiana.

I began my support of this very meritorious project shortly after I came to the Congress in 1935. At that time I appeared in support of it with the then Governor Paul V. McNutt, of Indiana, and the then Senators Minton and Van Nuys of the State of Indiana. Through the years this project has had the support of the Governors of our State, of the congressional Representatives and of the Senators from our State. We now have a favorable report from the Army Engineers. I rise at this time, Mr. Speaker, to express the hope that the Bureau of the Budget will look with favor on this project and that in this session of the Congress we may begin the construction which I think is so vital to the overall interest of the State of Indiana.

I might add that this project is now favored very strongly and vigorously by our present Governor, Hon. Matthew Welsh of Indiana.

The SPEAKER. The time of the gentleman from Indiana has expired.

PERMISSION TO SIT DURING GENERAL DEBATE ON THURSDAY

Mr. LOSER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have permission to sit during general debate in the House on Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

MERCHANDISE MART OF CHICAGO RAISES ITS RENT

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FINDLEY. Mr. Speaker, the wire services report that the Merchandise Mart, a Chicago office building owned by Joseph P. Kennedy, father of the President, is raising some of its rents 3 to 5 percent. This is about the percentage price increase which United States Steel recently announced, then rescinded in the face of violent pressure from the administration.

The Merchandise Mart's general manager, Wallace Ollman, said the rents were going up because of "increased operating costs, principally labor and taxes." These were the same reasons given by United States Steel to justify its price increase.

The President charged United States Steel with "ruthless disregard" of the public interest and ordered an investigation under the direction of his brother, Attorney General Robert F. Kennedy.

I have written to the Attorney General urging an investigation to determine if Joseph P. Kennedy showed "ruthless disregard" of the public interest by jacking up rents at the Merchandise Mart.

JOINT COMMITTEE TO REPRESENT THE CONGRESS AT THE 375TH ANNIVERSARY OF THE LANDING OF THE LOST COLONY AND THE BIRTH OF VIRGINIA DARE

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Concurrent Resolution 438 and ask for its immediate consideration.

The Clerk read the House concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there is hereby created a joint committee to be composed of six Members of the House of Representatives to be appointed by the Speaker of the House and six Members of the Senate to be appointed by the President of the Senate to represent Congress at ceremonies to be conducted at Roanoke Island, North Carolina, during the week August 12 to August 18, 1962, inclusive, jointly by the committee and by the Governor's commission for the celebration of the three hundred and seventy-fifth anniversary of the birth of Virginia Dare, in commemoration of the three hundred and seventy-fifth anniversary of the landing of Sir Walter Raleigh's colony on Roanoke Island, North Carolina, and the birth of the first English child in America, Virginia Dare. The members of the joint committee shall select a chairman from among their number.

The expenses of the joint committee incurred in carrying out the purposes of this resolution, not to exceed $10,000, shall be paid out of the contingent fund of the House of Representatives upon vouchers authorized by such joint committee and approved by the Committee on House Administration of the House of Representatives.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes of my time to the gentleman

from Kansas [Mr. AVERY]; and at this time I yield myself such time as I may consume.

Mr. Speaker, this resolution is very simple. Its reading makes clear the purpose of the resolution. I do not propose to take any time unless there are questions.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Iowa.

Mr. GROSS. This provides for a delegation of six Members from the other body and six Members from this body. Do I understand the 5- or 6-day proposition is going to cost $10,000?

Mr. BOLLING. It is my understanding from testimony before the Committee on Rules that the full $10,000 would be unlikely to be used, and that this is not an unusual resolution commemorating such an important event.

This was the first Colony founded by English-speaking people in what is now the United States.

Mr. GROSS. I think it ought to be commemorated, but is it not on the rich side, the $10,000 for 6 days or less for 12 people with as little travel as there will be between Washington and Roanoke, Va.? It seems to me that is more than a little bit plush. I would hope that we can have assurance from someone that the full $10,000 will not be expended.

Mr. BONNER. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from North Carolina.

Mr. BONNER. I want to assure the gentleman from Iowa that I am just as much interested in economy as he is.

Mr. GROSS. I know that.

Mr. BONNER. This is the usual resolution. Certainly the $10,000 is not going to be spent or anywhere near that. I assure the gentleman the only expense would be for travel and the hotel bill of the committee of Congress that is appointed.

Mr. GROSS. I am glad to have that assurance of the gentleman from North Carolina, and I hope we will not be compelled to offer amendments to bills of this kind in the future to cut or strike out the money.

I thank the gentleman for yielding.

Mr. BOLLING. Mr. Speaker, I reserve the balance of my time.

Mr. AVERY. Mr. Speaker, I do not suppose that anybody would find it in his heart to oppose a resolution such as this this morning, especially in view of the very persuasive representation that was made before the Committee on Rules by the gentleman from North Carolina [Mr. BONNER] that this resolution should pass. I am wondering, however, if we might not be setting a precedent. I am sure our State of Kansas some day will be celebrating our 350th anniversary, and I assume, Mr. Speaker, if this resolution is passed, that every State that reaches the time of its 300th anniversary or its 350th anniversary, that State can anticipate a $10,000 appropriation from Congress to defray the expense of a visiting delegation from the House and from the other body.

Certainly, I am not going to oppose it, but I am wondering seriously if we might not be establishing some kind of a precedent.

Mr. Speaker, I anticipated the question by the gentleman from Iowa [Mr. GROSS] and I can enlighten him just a little further as to how this works out. Assuming it was necessary to utilize all of the $10,000, it would figure about $950 a day, as I work this out, which would mean, assuming all 12 members were in attendance, that they would utilize approximately $80 a day apiece for the 6 days that their time would be needed for this observation. Congratulations to the great State of North Carolina on the occasion of this anniversary. I reserve the balance of my time, Mr. Speaker.

Mr. BOLLING. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the calendar.

MARY R. GALOTTA

The Clerk called the bill (H.R. 8946) for the relief of Mary R. Galotta.

Mr. ANDERSON of Illinois. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

MRS. ETHEL KNOLL

The Clerk called the bill (H.R. 7332) for the relief of Mrs. Ethel Knoll.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

JAMES L. MERRILL

The Clerk called the bill (H.R. 5061) for the relief of James L. Merrill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the limitations of time upon the filing of claims for benefits under section 5 of the War Claims Act of 1948 are hereby waived in favor of James L. Merrill, of San Jose, California, and his claim for detention benefits as the surviving son of Frank S. Merrill (Foreign Claims Settlement Commission claim numbered 121775) under such section 5 is hereby authorized and directed to be acted upon under such Act if filed with the Foreign Claims Settlement Commission within six months after the date of enactment of this Act.

The bill was ordered to be engrossed, and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. FRANCES MANGIARACINA AND HER CHILDREN, CONCETTA MARIA, ROSETTA, AND TOMASINO

The Clerk called the bill (H.R. 1404) for the relief of Mrs. Frances Mangiaracina and her children, Concetta Maria, Rosetta, and Tomasino.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Frances Mangiaracina, and her children, Concetta Maria, Rosetta, and Tomasino, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct four numbers from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert "That, for the purposes of section 101 (a) (27) (B) of the Immigration and Nationality Act, Mrs. Frances Mangiaracina shall be considered to be a returning resident alien."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mrs. Frances Mangiaracina."

A motion to reconsider was laid on the table.

ANNA ISERNIA ALLOCA

The Clerk called the bill (H.R. 3595) for the relief of Anna Isernia Alloca.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provision of section 212(a) (1) of the Immigration and Nationality Act, Anna Isernia Alloca may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provision of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

With the following committee amendments:

On page 1, line 3, strike out "212(a) (1)" and substitute in lieu thereof "212(a) (9)".

One page 1, at the end of the bill, add a new section 2 to read as follows:

"SEC. 2. The provisions of section 24(a) (7) of the Act of September 26, 1961 (75 Stat. 657), shall be inapplicable in this case."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANGELINA RAINONE

The Clerk called the bill (H.R. 3633) for the relief of Angelina Rainone.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Angelina Rainone shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Angelina Rainone. From and after the date of the enactment of this Act, the said Angelina Rainone shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADELE ANIS MANSOUR

The Clerk called the bill (H.R. 4655) for the relief of Adele Anis Mansour.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Adele Anis Mansour shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Adele Anis Mansour. From and after the date of the enactment of this Act, the said Adele Anis Mansour shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read: "For the relief of Adele Anis Mansour."

A motion to reconsider was laid on the table.

RELATING TO THE ADMISSION OF CERTAIN ADOPTED CHILDREN

The Clerk called House Joint Resolution 677 relating to the admission of certain adopted children.

There being no objection, the Clerk read the House joint resolution, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Anna Kapsalis, formerly Anna Mastoraki, shall be held and considered to be the natural-born alien child of Mr. and Mrs. John E. Kapsalis, citizens of the United States.

SEC. 2. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Kazimiera Przyborowska, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Anton Hartmann, citizens of the United States.

SEC. 3. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Maria Antonina (Gutowicz) Olsenwik, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Joseph Olsenwik, citizens of the United States.

SEC. 4. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Kook Nam Whang, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Cornie L. Van Zee, citizens of the United States.

SEC. 5. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Leokadia-Danuta Kleban, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Jozef Makowski, citizens of the United States.

SEC. 6. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor children, Wlodzimierz Miska and Wanda Miska, shall be held and considered to be the natural-born alien children of Mr. and Mrs. Jan K. Miska, citizens of the United States.

SEC. 7. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Ja Han Hong, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Edward A. Ruestow, citizens of the United States.

SEC. 8. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Bogumil Getris, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Alex Getris, citizens of the United States.

SEC. 9. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Tadeusz Romuald Czyz, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Walter Czyz, citizens of the United States.

SEC. 10. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Cynthia Ann Foutris, formerly Cynthia Ann Fili, shall be held and considered to be the natural-born alien child of Mr. and Mrs. James Foutris, citizens of the United States.

SEC. 11. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor children, Gaetanina Paola Angelone and Adele Anna Teresa Angelone, shall be held and considered to be the natural-born alien children of Mr. Giuseppe Marinucci, a citizen of the United States.

SEC. 12. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor children, John Andrew Nichols and Anna Sophia Nichols, shall be held and considered to be the natural-born alien children of Mr. and Mrs. Nick A. Nichols, citizens of the United States.

SEC. 13. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Manuel Calvete Pereira, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Richard Roeder, citizens of the United States.

SEC. 14. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Urszula Kosior, shall be held and considered to be the natural-born alien child of Mr. John Kosior, a citizen of the United States.

SEC. 15. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor children, Teresita Fernandez and Apolonio Fernandez, shall be held and considered to be the natural-born alien children of Mr. and Mrs. Felecisimo C. Fernandez, citizens of the United States.

SEC. 16. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor children, Franciszek Kopec and Wladystaw Kopec, shall be held and considered to be the natural-born alien children of Mr. and Mrs. Joseph Kopec, citizens of the United States.

SEC. 17. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Theresa Godino, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Frank Godino, citizens of the United States.

SEC. 18. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Vladimir Tsvetanov Trifonov, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Sam Triffin, citizens of the United States.

SEC. 19. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Teresa Mikucki, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Jan Mikucki, citizens of the United States.

SEC. 20. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Cecylia Orszula Pulit, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Edward C. Pulit, citizens of the United States.

SEC. 21. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Yvonne Hutia Bright, shall be held and considered to be the natural-born alien child of Doctor and Mrs. Robert D. Bright, citizens of the United States.

SEC. 22. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Krystyna Pietrzycki, shall be held and considered to be the natural-born alien child of Mr. and Mrs. John Pietrzycki, citizens of the United States.

SEC. 23. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Ignacy Pietrzycki, shall be held and considered to be the natural-born child of Mr. and Mrs.

Joseph Pietrzycki, citizens of the United States.

SEC. 24. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Wojciech Antoni Drogoszewski, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Antoni Drogoszewski, citizens of the United States.

SEC. 25. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Jan Kazimierz Lewandowski, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Chester Lewandowski, citizens of the United States.

SEC. 26. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Stanislaw Jozef Scislowski, shall be held and considered to be the natural-born alien child of Mr. Joseph Scislowski, a citizen of the United States.

SEC. 27. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Filomena Darmi, formerly Coccia, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Dominic Darmi, citizens of the United States.

SEC. 28. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor children Despina McCrain, formerly Despina Doxis, and Vassilire McCrain, formerly Vassilire Doxis, shall be held and considered to be the natural-born children of Mr. and Mrs. William J. McCrain, citizens of the United States.

SEC. 29. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Jean Mary Haynes, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Robert E. Haynes, citizens of the United States.

SEC. 30. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Michalina Adela Chudziak, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Michael Chudziak, citizens of the United States.

SEC. 31. The natural parents of the beneficiaries of this Act shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VINCENT EDWARD HUGHES

The Clerk called the bill (H.R. 6330) for the relief of Vincent Edward Hughes.

There being no objection the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Vincent Edward Hughes, who lost United States citizenship under the provisions of section 349(a)(1) of the Immigration and Nationality Act, may be naturalized by taking prior to one year after the effective date of this Act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said Act. From and after naturalization under this Act, the said Vincent Edward Hughes shall have the same citizenship status as that which existed immediately prior to its loss.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "For the purposes of section 101(a)(27)(B) of the Immigration and Nationality Act, Vincent Edward Hughes and his wife, Carmel Philomena Hughes, and their alien children, shall be held and considered to be returning resident aliens."

The committee amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended to read: "For the relief of Vincent Edward Hughes, his wife, Carmel Philomena Hughes, and their alien children."

A motion to reconsider was laid on the table.

RENEWAL OF PATENT NO. 92,187 RELATING TO THE BADGE OF THE SONS OF THE AMERICAN LEGION

The Clerk called the bill (H.R. 11032) granting a renewal of patent No. 92,187 relating to the badge of the Sons of the American Legion.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a certain design patent issued by the United States Patent Office of date of May 8, 1934, being patent numbered 92,187, is hereby renewed and extended for a period of fourteen years from and after the date of approval of this Act, with all the rights and privileges pertaining to the same, being generally known as "the badge of the Sons of the American Legion."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE BADGE OF THE AMERICAN LEGION AUXILIARY

The Clerk called the bill (H.R. 11033) granting a renewal of patent No. 55,398 relating to the badge of the American Legion Auxiliary.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a certain design patent issued by the United States Patent Office of date of June 1, 1920, being patent numbered 55,398, is hereby renewed and extended for a period of fourteen years from and after the date of approval of this Act, with all the rights and privileges pertaining to the same, being generally known as "the badge of the American Legion Auxiliary."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE BADGE OF THE AMERICAN LEGION

The Clerk called the bill (H.R. 11034) granting a renewal of patent No. 54,296 relating to the badge of the American Legion.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a certain design patent issued by the United States Patent Office of date of December 9, 1919, being patent numbered 54,296, is hereby renewed and extended for a period of fourteen years from and after the date of approval of this Act, with all the rights and privileges pertaining to the same, being generally known as "the badge of the American Legion."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SEYMOUR ROBERTSON

The Clerk called the bill (S. 505) for relief of Seymour Robertson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Seymour Robertson, of Pearl River, New York, the sum of $1,269.01. The payment of such sum shall be in full settlement of all claims of the said Seymour Robertson against the United States for loss of compensation incurred by him between April 21, 1944, and November 27, 1944, the period during which he was denied the opportunity to perform service in the field service of the Post Office Department following his discharge from the United States Navy: *Provided,* That no part of the amount appropriated to this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN E. BEAMAN AND ADELAIDE K. BEAMAN

The Clerk called the bill (S. 508) for the relief of John E. Beaman and Adelaide K. Beaman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any statute of limitations or lapse of time, suit may be instituted in the United States Court of Claims at any time within one year after the date of the enactment of this Act to hear, determine, and render judgment on the claim of John E. Beaman and his wife, Adelaide K. Beaman, for compensation for depreciation of real property owned by them, the value of which allegedly has depreciated as the result of jet aircraft activities carried on by the United States at and in the vicinity of MacDill Air Force Base, Tampa, Florida.

SEC. 2. Proceedings in the suit authorized to be instituted by the first section of this Act, appeals, and judgments rendered

therein shall conform to proceedings, appeals, and judgments in cases heard under section 1491 of title 28, United States Code. Nothing in this Act shall be construed as an inference of liability on the part of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARLYS E. TEDIN AND ELIZABETH O. REYNOLDS

The Clerk called the bill (S. 704) for the relief of Marlys E. Tedin and Elizabeth O. Reynolds.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Marlys E. Tedin of Sitka, Alaska, is hereby relieved of all liability for repayment to the United States of the sum of $580.38, representing an amount erroneously paid her for cost-of-living allowance during the period from September 23, 1955, to March 26, 1956, while she was an employee of the Public Health Service on detail at Seattle, Washington, from her headquarters at Juneau, Alaska.

SEC. 2. That Elizabeth O. Reynolds of Pine Ridge, South Dakota, is hereby relieved of all liability for repayment to the United States of the sum of $646.30, representing an amount erroneously paid her for cost-of-living allowance during the period from March 19, 1956, to August 24, 1956, while she was an employee of the Public Health Service on detail at Seattle, Washington, from her headquarters at Juneau, Alaska.

SEC. 3. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Marlys E. Tedin and Elizabeth O. Reynolds, the sum of any amounts received or withheld from them on account of the payment referred to in the first section of this Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARVEY BURSTEIN

The Clerk called the bill (S. 2151) for the relief of Harvey Burstein.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Harvey Burstein of Mamaroneck, New York, is hereby relieved of all liability to repay to the United States the sum of $1,047.34, representing overpayments of salary which he received as an employee of the Department of State for the period from October 7, 1953, through February 19, 1954, as the result of his appointment to a position in grade GS–14 in violation of section 1310 of the Supplemental Appropriation Act, 1952 (the so-called Whitten amendment), as amended.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Harvey Burstein, the sum of any amounts received or withheld from him on account of the overpayments referred to in the first section of this Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY E. ELLISON

The Clerk called the bill (S. 2319) for the relief of Harry E. Ellison, captain, U.S. Army, retired.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Harry E. Ellison, captain, United States Army, retired (O1797269), of Seattle, Washington, is hereby relieved of all liability for repayment to the United States of the sum of $3,998.54, representing the amount of overpayments of basic pay, foreign duty pay, and rental and subsistence allowances received by him for the period from September 10, 1942, through January 31, 1954, while he was serving as a member of the United States Army, such overpayments having been made as a result of administrative error.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Harry E. Ellison, the sum of any amounts received or withheld from him on account of the overpayments referred to in the first section of this Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWARD L. WERTHEIM

The Clerk called the bill (S. 2549) for the relief of Edward L. Wertheim.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of Veterans' Affairs is authorized and directed to pay, out of any money available for medical care to veterans, to Edward L. Wertheim, of Douglaston, Long Island, New York, the sum of $314.07, in full satisfaction of all his claims against the United States for reimbursement of certain medical expenses which he incurred while receiving outpatient medical treatment during the period from November 14, 1959, through June 16, 1960, after his discharge from the Veterans' Administration Hospital, New York City, New York, on November 10, 1959, the said Edward L. Wertheim having failed to obtain an authorization for such outpatient treatment as a result of erroneous advice given him by an official of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LT. DON WALSH AND LT. LAWRENCE A. SHUMAKER

The Clerk called the bill (H.R. 6021) for the relief of Lt. Don Walsh and Lt. Lawrence A. Shumaker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lieutenant Don Walsh and to Lieutenant Lawrence A. Shumaker, the amount certified with respect to them by the Secretary of the Navy under section 2 of this Act: *Provided,* That the payment of such sum shall be in full settlement of all claims of the said Lieutenant Don Walsh and Lieutenant Lawrence A. Shumaker against the United States for hazardous duty pay for the period spent by them before July 12, 1960, as members of the crew of the bathyscaph Trieste.

SEC. 2. The Secretary of the Navy shall determine and certify to the Secretary of the Treasury the amounts which would have been payable to Lieutenant Don Walsh and Lieutenant Lawrence A. Shumaker as hazardous duty pay for the periods before July 12, 1960, during which each of them served aboard the bathyscaph Trieste if such service had been performed on board a submarine.

SEC. 3. No part of either of the sums appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim settled by the payment of such sum, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLEO A. DEKAT

The Clerk called the bill (H.R. 6386) for the relief of Cleo A. Dekat.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Cleo A. Dekat, of Wamego, Kansas, is hereby relieved of liability to the United States in the amount of $1,378.58, the amount by which he was overpaid as an employee of the Post Office Department during the period from December 3, 1955, through March 21, 1961, as a result of administrative error. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for any amount for which liability is relieved by this Act.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Cleo A. Dekat, an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him, in complete or partial satisfaction of the liability to the United States specified in the first section: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike "March 21, 1961", and insert "February 17, 1961".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN W. SCHLEIGER

The Clerk called the bill (H.R. 7617) for the relief of John W. Schleiger.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John W. Schleiger of Tucson, Arizona, the sum of $1,917.05. Such sum represents the amount of settlement for which the said John W. Schleiger was required to pay for the loss of money from registered mail. Said John W. Schleiger, a letter carrier in the United States post office at Tucson, Arizona, apparently lost the register or the register was stolen from him while making collection of mail on a scheduled collection tour: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAJ. CLARA MAY MATTHEWS

The Clerk called the bill (H.R. 8321) for the relief of Maj. Clara May Matthews.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Clara May Matthews, major, Women's Army Corps, L58, retired, is hereby relieved of liability to pay to the United States the sum of $5,913.60, which was paid to her as compensation for employment at Lackland Air Force Base, Texas, from April 1, 1960, through February 18, 1961, which employment has been held to have been in violation of section 2 of the Act of July 31, 1894 (5 U.S.C. 62). In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for amounts for which liability is relieved by this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SFC. JESSE O. SMITH

The Clerk called the bill (H.R. 9466) for the relief of Sfc. Jesse O. Smith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Sergeant Jesse O. Smith, RA44080654, United States Army, is hereby relieved of liability to the United States in the amount of $483.60 which was paid to him in the form of a reenlistment bonus on June 18, 1957, and was subsequently determined to have been in excess of the amount due him by reason of an administrative interpretation. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for any amount for which liability is relieved by this Act.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated to Sergeant First Class Jesse O. Smith, an amount equal to the aggregate of the amount paid by him, or withheld from sums otherwise due him, in complete or partial satisfaction of the liability to the United States specified in the first section: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COL. A. A. WATSON

The Clerk called the bill (H.R. 9782) for the relief of Col. A. A. Watson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Colonel A. A. Watson, United States Army (retired), the sum of $1,785.52 in full settlement of all claims against the United States for the loss sustained by the said Colonel A. A. Watson as the result of damage to and destruction of his personal property in the warehouse of H and R Transfer and Storage Company, Sierra Vista, Arizona, by a fire which occurred on September 19, 1960: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, any contract to the contrary notwithstanding. Any person violating any of the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS J. FITZPATRICK AND PETER D. POWER

The Clerk called the bill (H.R. 10026) for the relief of Thomas J. Fitzpatrick and Peter D. Power.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the limitation on the time within which applications for disability retirement are required to be filed under section 7(b) of the Civil Service Retirement Act (5 U.S.C. 2257(b)) is hereby waived in favor of Thomas J. Fitzpatrick and Peter D. Power of Newfoundland, Canada, former employees of the United States Naval Station, Argentia, Newfoundland, and their claims for disability retirement under such Act shall be acted upon under the other applicable provisions of such Act as if their applications had been timely filed, if they file application for such disability retirement within sixty days after the date of enactment of the Act. No benefits shall accrue by reason of the enactment of this Act for any period prior to the date of enactment of this Act: *Provided,* That, notwithstanding any other provision of law, benefits payable by reason of the enactment of this Act shall be paid from the civil service retirement and disability fund.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

WILLIAM RADKOVICH CO., INC.

The Clerk called the bill (H.R. 10314) for the relief of William Radkovich Co., Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That jurisdiction be, and the same is hereby, conferred upon the United States Court of Claims to hear, determine, and render judgment upon the claims of William Radkovich Company, Incorporated, arising under contracts with the United States for the construction of various structures, said contracts being numbered W–04–353–eng–2036 and W–04–353–eng–2050, against the United States for the difference between the reasonable value of said structures as of the time of the completion of such contracts and the amount paid to said company for such structures, said recovery to be permitted only in the event that it shall be established that the actual cost to the said William Radkovich Company, Incorporated, of erecting such structures exceeded the reasonable value of such structures, such judgment to be entered notwithstanding any limitations imposed by law upon Government representatives whose responsibility it was to let the aforementioned contracts and notwithstanding the technical provisions of said contracts with respect to payment thereunder: *Provided,* That the suit herein authorized shall be instituted within six months from the date of the approval of this Act.

With the following committee amendment:

Strike all after the enacting clause and insert: "That jurisdiction is hereby conferred upon the United States Court of Claims to hear, determine, and render judgment upon the claims of William Radkovich Company, Incorporated, arising out of contracts numbered W–04–353–eng–2036 and W–04–353–eng–2050, against the United States for the reasonable value, computed as of the time when made, of any reasonable and necessary changes and increase beyond the terms of said contracts made at the direction of the contracting officer, for which the said William Radkovich Company, Incorporated, was not compensated because of the provisions of section 12 of the Military Appropriation Act, 1947 (60 Stat. 565), which precluded payment of more than $7,500 per unit for the construction of temporary family quarters: *Provided,* That the suit herein authorized shall be instituted within six months from the date of the approval of this Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

SELL MINERAL ESTATE IN LANDS IN MARICOPA COUNTY, ARIZ.

The Clerk called the bill (H.R. 8134) to authorize the sale of the mineral estate in certain lands.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior be, and he hereby is, authorized, at his discretion to sell to the surface owners, and their successors in title, the mineral estate reserved to the United States in the following described lands which were patented under section 8 of the Taylor Grazing Act, as amended (43 U.S.C. 315g):

Township 3 north, range 6 east, Gila and Salt River meridian, Maricopa County, Arizona.

Section 10. All.

Section 11. Lots 6, 7, 8, 9, west half east half, west half.

Section 14. Lots 9, 10, 11, 12, west half east half, west half.

Section 15. All.

Section 22. All.

Section 23. Lots 9, 10, 11, 12, west half.

Section 26. Lots 9, 10, 11, 12, west half.

Section 27. All.

Total 4,540.57 acres.

Such sales shall be made at the fair market value of such mineral estate as determined by the Secretary of the Interior by appraisal or otherwise, as of the time of such sale.

With the following committee amendment:

Page 2, strike out all of lines 11 to 14, inclusive, and insert in lieu thereof the following:

"All sales of the rights of the United States to the mineral estate under the provisions of this Act shall be on condition of payment of the fair market value for such rights, but in no event shall payment be less than $5 per acre, plus the cost of the appraisal thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ANTONIO C. YSRAEL

The Clerk called the bill (H.R. 2103) for the relief of Antonio C. Ysrael.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Antonio C. Ysrael shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

AUGUSTIN RAMIREZ-TREJO

The Clerk called the bill (H.R. 2187) for the relief of Augustin Ramirez-Trejo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a)(22) of the Immigration and Nationality Act, Augustin Ramirez-Trejo may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: *Provided,* That nothing in this Act shall be construed to waive the provisions of section 315 of the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Augustin Ramirez-Trejo. From and after the date of the enactment of this Act, the said Augustin Ramirez-Trejo shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued. *Provided,* That nothing in this Act shall be construed to waive the provisions of section 315 of the Immigration and Nationality Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

CARLOS SEPULVEDA ABARCA

The Clerk called the bill (H.R. 2198) for the relief of Carlos Sepulveda Abarca, Rosario Perez Sepulveda, Carlos Perez Sepulveda, Jorge Sepulveda, and Antonio Perez Sepulveda.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Carlos Sepulveda Abarca, Rosario Perez Sepulveda, Carlos Perez Sepulveda, Jorge Sepulveda, and Antonio Perez Sepulveda shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. *Provided,* That nothing in this Act shall be construed to waive the provisions of section 315 of the Immigration and Nationality Act in the case of Carlos Sepulveda Abarca.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Carlos Sepulveda Abarca. From and after the date of the enactment of this Act, the said Carlos Sepulveda Abarca shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

The title was amended so as to read: "For the relief of Carlos Sepulveda Abarca."

A motion to reconsider was laid on the table.

MISS SUSANNA MOSCATO

The Clerk called the bill (H.R. 5916) for the relief of Miss Susanna Moscato (Reverend Mother Charitas).

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

DAVID B. KILGORE AND JIMMIE D. RUSHING

The Clerk called the bill (H.R. 8631) for the relief of David B. Kilgore and Jimmie D. Rushing.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $720 to David B. Kilgore, 201 East Xenia Drive, Fairborn, Ohio, and the sum of $374.40 to Jimmie D. Rushing, 605 Kirkwood Drive, Vandalia, Ohio, in full settlement of their claims against the United States for compensation during the period between January 14, 1959, to July 21, 1959, inclusive, while serving as members of a Nuclear Accident Control Team at Wright-Patterson Air Force Base, Ohio. In this period, during which they served two thousand two hundred and eighty hours and one thousand and seventy-four hours, respectively, they were required to hold themselves in readiness to report to their command posts within thirty minutes of a call: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

WILLIAM FALBY

The Clerk called the bill (H.R. 1653) for the relief of William Falby.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That William Falby, who lost United States citizenship under the provisions of section 349 (a) (4) (A) of the Immigration and Nationality Act, may be naturalized by taking prior to one year after the effective date of this Act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said Act. From and after naturalization under this Act, the said William Falby shall have the same citizenship status as that which existed immediately prior to its loss.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

SONIA MARIA SMITH

The Clerk called the bill (H.R. 2672) for the relief of Sonia Maria Smith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Sonia Maria Smith, shall be held and considered to be the natural-born alien child of Doris and Cecil Smith, citizens of the United States: *Provided,* That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendment:

On page 1, line 7, after the words "of the United States" change the colon to a period and strike out the remainder of the bill.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

JANINA MACIEJEWSKA

The Clerk called the bill (H.R. 3714) for the relief of Janina Maciejewska.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Janina Maciejewska shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Janina Maciejewska. From and after the date of the enactment of this Act, the said Janina Maciejewska shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MOLLY KWAUK

The Clerk called the bill (H.R. 9669) for the relief of Molly Kwauk.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a) (1) of the Immigration and Nationality Act, Molly Kwauk may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act: *Provided further,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act.

Mr. BURKE of Kentucky. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. BURKE of Kentucky. Mr. Speaker, Molly Kwauk is the daughter of Dr. Dorothy Yueh-Ching Ma, a resident of my congressional district who is now employed as chief of anesthesia at the Veterans' Administration Hospital, Louisville, Ky. Dr. Ma is a naturalized citizen of the United States. She originally came to this country from China in 1948 to do postgraduate work in her medical specialty, anesthesiology. She left her daughter, Molly Kwauk, in Shanghai with the child's maternal grandmother, now 80 years old. The child's father had died before Molly was born.

Shortly after Dr. Ma's arrival in this country, the Communists took control of China and Dr. Ma was prevented from returning to her home and her medical practice. For 14 years she did not see her daughter and for most of that time was unable to maintain contact with her. In 1955, Dr. Ma received her American citizenship papers. Last fall Dr. Ma was able to arrange for her daughter's emigration from Red China under the then relaxed travel policies of the Communist Government. Through her mother's continued efforts Molly was admitted to Hong Kong under a transit visa. Dr. Ma went to Hong Kong and was successful in persuading authorities there to extend Molly's visa to March 5, 1962. A visa petition filed by Dr. Ma to accord Miss Kwauk second preference status in the issuance of an immigrant visa to this country was approved December 19, 1960. Subsequently, Miss Kwauk became entitled to nonquota status under the provisions of Public Law 87–301. In November 1961 Miss Kwauk was refused an immigrant visa by the American consul, Hong Kong, on the ground that she is feebleminded. She was then faced with deportation to Red China. It was at this point that Dr. Ma came to me seeking my assistance. As a result, H.R. 9669 was introduced on January 15, 1962. Since that time, with the splendid cooperation and assistance of the Committee on the Judiciary, the Departments of State and Justice, the American consul at Hong Kong, the Governor, and other Government authorities of Hong Kong, and the Colonial Office of the British Embassy, which I here publicly acknowledge, we have obtained permission from the Governor of Hong Kong for Miss Kwauk to remain in the colony at the home of a friend of Dr. Ma pending a final decision as to whether she will be permitted to enter the United States.

Mr. Speaker, I do not wish to occupy the time of the House by recounting in further detail the history of the causes of the separation of this mother and daughter or the legal technicalities which make a real reunion of these people so near and yet so far. I do not intend to dwell on those facts which the Committee on the Judiciary has in its files in the form of departmental reports. The medical report of the examination of Miss Kwauk establishes that she is mentally retarded or feebleminded, but there is no indication in that report as to the degree of the retardation. Dr. Ma is of the opinion that her daughter has a mental age of 10 years. The important thing is that her case is not a hopeless one, if in fact, any mentally retarded person could ever be considered hopeless. This young woman has been without the love, care, and tender encouragement of her own mother for more than 14 years. Bear in mind that Miss Kwauk, in effect, never had a father and lost her mother when she was 11. She apparently has a mental age of 10. During her separation she has been forced to do manual labor, has not had the benefit of that considerable area of treatment that does help these people. I am not a physician and I cannot, therefore, speak with authority about this young woman's prospects for improvement or partial recovery. I can speak only as a human being and a parent. The alternatives for this young woman are either the love and care and security of a life with her mother or a return to the fields of Red China with hard labor and an unbelievably insufficient diet as her only future.

Our esteemed colleague, the gentleman from Rhode Island [Mr. FOGARTY], rendered a splendid service toward a better understanding of the problems of mental retardation in his address to the House on March 22. Appended to his remarks is an address by Mrs. Eunice

Shriver who serves as special consultant to the President's Panel on Mental Retardation. I urge the Members of the House to read these addresses which appear in the CONGRESSIONAL RECORD beginning at page 4785.

Molly Kwauk may well be a leading example of the accidental nature of mental retardation. There is no other known instance of mental retardation on either side of her family. I have compiled a list of the accomplishments and educational feats of her nearest relatives in order that the House may be fully advised:

Mother: Physician, chief of anesthesia.

Father—deceased: Died while a medical student.

Paternal grandfather—deceased: Engineer, managing director, Shanghai-Nanking Railroad, Shanghai Arsenal, Shanghai Mint.

Paternal uncles: First, physician, degree from McGill University; second, chemical engineer, master's degree, Princeton University; and, third, shipbuilding engineer, Newcastle upon Tyne, England.

Maternal uncles: First, professor of entomology, master's degree; second, chemical engineer; third, physician; and, fourth, civil engineer, McKee Chemical Engineering Construction Co., Cleveland, Ohio.

Mr. Speaker, if there is hope for the mentally retarded, and there is every reason to believe that there is, Miss Kwauk would appear to occupy an advantageous position. Her mother is a doctor who pleads for the chance to care for her daughter. Her mother is in a comfortable financial situation according to the report submitted to the Committee on the Judiciary by the Immigration and Naturalization Service. Dr. Ma is in excellent health and has a good, secure earning potential. Molly's uncle, an engineer, is an American citizen working in Cleveland and is in a position to assume responsibility for her care if something should happen to Dr. Ma. In other words, Miss Kwauk's position is such that there is little likelihood of her ever becoming a public charge.

Mr. Speaker, I respectfully urge the House to take favorable action on H.R. 9669.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Private Calendar.

MRS. ETHEL KNOLL

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Private Calendar No. 491, the bill (H.R. 7332) for the relief of Mrs. Ethel Knoll.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That national service life insurance policies V-320-78-33 and V-322-62-08 issued on the life of George L. Knoll (Veterans' Administration claim numbered XC-5392945) shall be held and considered to have been in force on the date of his death, January 7, 1959. Payments made by reason of this Act shall be made out of the national service life insurance appropriation.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

MARY R. GALOTTA

Mr. LANE. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Private Calendar No. 474, the bill (H.R. 8946) for the relief of Mary R. Galotta.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of all laws administered by the Veterans' Administration, the marriage of Mary R. Galotta (widow of Edward John Galotta, XC-4039308) to Tanios Touma annulled in the probate court of Massachusetts, by decree, shall be held and considered to have been void within the meaning of section 101(3), title 38, United States Code, and she shall be considered as the widow of said Edward John Galotta.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may be permitted to sit during general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1963

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11289) making appropriations for the Department of Defense for the fiscal year ending June 30, 1963, and for other purposes; and, pending that motion, Mr. Speaker, while we will move along as fast as we can, I ask unanimous consent that general debate be limited to not to exceed 6 hours, the time to be equally divided between the gentleman from Michigan [Mr. FORD] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 74]

Addonizio	Hansen	Rivers, S.C.
Alger	Hays	Roberts, Ala.
Andrews	Hébert	St. George
Ayres	Hoffman, Mich.	Scott
Blitch	Jones, Ala.	Selden
Boykin	Kearns	Shelley
Brooks, Tex.	Kee	Smith, Miss.
Cahill	Kitchin	Spence
Celler	Lankford	Steed
Chelf	McDonough	Thompson, N.J.
Cohelan	Miller, George P.	Thompson, Tex.
Daniels	Miller, N.Y.	Thomson, Wis.
Dawson	Moorehead, Ohio	Tollefson
Diggs	Moulder	Tuck
Dowdy	Murray	Utt
Doyle	Pilcher	Weis
Fascell	Powell	Whitten
Finnegan	Rains	Willis
Fino	Reece	Wilson, Calif.
Garland		Wilson, Ind.
Grant		Zelenko

The SPEAKER. On this rollcall, 376 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MISS SUSANNA MOSCATO

Mr. SANTANGELO. Mr. Speaker, I ask for unanimous consent to return for immediate consideration to Private Calendar No. 543, the bill (H.R. 5916) for the relief of Miss Susanna Moscato—Reverend Mother Charitas.

Mr. Speaker, in the early morning, objection was made to the consideration of this bill at the time it was called. The objection has been withdrawn.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Miss Susanna Moscato (Reverend Mother Charitas) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon the payment of the required visa fee. Upon the granting of permanent residence to such alien as provided in this Act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of section 101(a)(27)(B) of the Immigration and Nationality Act, Miss Susanna Moscato (Reverend Mother Charitas) shall be held and considered to be a returning resident alien, and the pro-

visions of section 212(e) of that Act shall be inapplicable in her case."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1963

The SPEAKER. The question is on the motion of the gentleman from Texas [Mr. MAHON] that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11289) making appropriations for the Department of Defense for the fiscal year ending June 30, 1963, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11289, with Mr. KEOGH in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement the gentleman from Texas [Mr. MAHON] is recognized for 3 hours, and the gentleman from Michigan [Mr. FORD] is recognized for 3 hours.

The Chair recognizes the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, we have before us today the largest peacetime appropriation bill in the history of the U.S. Government. The funds provided today in this bill, if approved, would be equivalent to a levy upon every person in the United States, 185 million people, in the sum of $258.

So without question this is a bill of great magnitude and I say to you that it is a measure of great significance.

DEFENSE VERSUS NONDEFENSE SPENDING

I would like at this point to examine with you this bill in terms of the relationship between defense spending and nondefense spending. There is a tendency on the part of many Americans in and out of Government to feel, more or less, that high taxes, big government spending and the increase in the ceiling on the national debt are the result of defense spending. This is not correct. We should not give ourselves an opiate and lay all our problems at the door of defense spending; we must have defense and we must pay, and pay in very large sums, for defense. And, insofar as I know, the American people almost unanimously support a high level defense program.

The Korean war ended in mid-1953. So I would like to use as a point of reference the fiscal year 1954 which began on July 1, 1953, the Korean war at that time having just concluded.

During the year 1954 we spent a certain amount for defense and we spent a certain amount for nondefense purposes. During the following years through fiscal year 1961, the last fiscal year to be concluded, defense spending increased by 1 percent. Nondefense spending during this 1954–61 period increased by 65 percent.

If you extend this period through fiscal year 1962, from 1954 through 1962, which will conclude on June 30 of this year, the increase in defense spending over 1954, according to the current budget estimates, is 9 percent and the increase in nondefense spending is 85 percent.

If you project this through fiscal year 1963, which will begin on July 1, 1962, you will find again, according to the budget estimates, that through that period the increase in defense spending will be 12 percent above 1954 and nondefense spending will be 94 percent above nondefense spending in 1954.

In other words, the Government has held, since the Korean war, a rather even level of spending in defense. It has been edging up and down a little, but relatively it has been even, especially prior to about a year ago. But nondefense spending has gone up precipitously so that at the end of the fiscal year 1963 it will be 94 percent, according to the estimates, above 1954.

These are facts that need to be considered, and especially at a time when we discuss this large bill.

In referring to defense spending versus nondefense spending I have included in defense spending not only the Defense appropriation bill, which is by all odds the largest item, but I have also included the small sums for the Selective Service, and the cost of the stockpiling program and defense production, military construction, the military foreign aid, and the Atomic Energy Commission.

In substantiation, Mr. Chairman, I include the following official table:

Analysis of new obligational authority and budget expenditures for the fiscal years 1954–63

[In millions of dollars]

Fiscal year	National defense function		Other than national defense		Budget totals	
	New obligational authority	Budget expenditures	New obligational authority	Budget expenditures	New obligational authority	Budget expenditures
1954 actual	38,901	46,986	23,864	20,551	62,765	67,537
1955 actual	33,656	40,695	23,420	23,694	57,076	64,389
1956 actual	35,903	40,723	27,295	25,501	63,198	66,224
1957 actual	40,234	43,360	29,945	25,606	70,179	68,966
1958 actual	40,448	44,234	35,897	27,135	76,345	71,369
1959 actual	45,517	46,491	35,848	33,851	81,365	80,342
1960 actual	44,761	45,691	34,813	30,848	79,574	76,539
1961 actual	45,994	47,494	40,681	34,021	86,675	81,515
1962 estimate	52,644	51,212	43,104	37,863	95,748	89,075
1963 estimate	54,744	52,690	44,559	39,847	99,303	92,537

NOTE.—The data on this table corresponds to the classification used in the 1963 budget. National defense functions include Department of Defense including military assistance, Atomic Energy Commission, stockpiling of strategic and critical materials, Selective Service System, expansion of defense production, and civil defense.

PURPOSE OF BILL

The purpose of this bill is evident. It is to increase further the military strength of the United States. Our foreign policy, to be effective, must be backed up by military power of unquestioned superiority. The purpose of this bill, stating it another way, is to deter aggression, to deter and prevent war. The purpose of this bill is to enable us more effectively to fight communism in the cold war and to fight communism successfully in a hot war should this country be attacked.

We do not know what the future holds. There are many uncertainties that lie ahead of us. About one thing there is no doubt, however, and that is the necessity, the urgent necessity, to maintain superior military strength in this country. The passage of this bill will evidence to the whole world the determination of the United States Congress to stand resolute and firm in the face of the Berlin crisis, in the face of all other international crises, in the face of threats to our freedom in any area of the world.

There has been some talk, and I think we should say some loose talk, about a no-win policy. Such a policy is unthinkable, and I have not seen evidence of such a policy in the legislative or executive branches of the Government, where policies are made and implemented. No one in his right mind would think that Congress would appropriate $47 billion for the purpose of supporting a no-win policy. No one in his right mind would conclude that we in the Congress would pass a bill equivalent to a levy of $258 on every man, woman, and child in the country with anything in mind other than a victory policy, and that is the policy of the American people.

A $7.5 BILLION INCREASE IN APPROPRIATIONS

Since fiscal year 1961, if we take into account the funds provided in this bill, we have raised defense appropriations for the functions covered in this bill by $7.5 billion, from about $40 billion-plus to about $47.5 billion-plus. Why does this Congress, Democrats and Republicans alike, support for fiscal year 1963 an appropriation bill for the Department of Defense $7.5 billion above the 1961 figure?

The purpose of this program for defense is simply to accelerate the rate of the buildup of military power that is needed to maintain the position of

strength that this country requires in the face of the threats which confront us. It is plain for all to see that the threats against our security have been intensified in recent months. Our accelerated program is calculated to meet these intensified threats. There is a need to add more strategic power in the new area of intercontinental ballistic missiles, and there is a great need, which the bills last year and this year fill, to add to our power in conventional warfare weapons.

There has been a very marked change in the situation which confronted us in the 1950's and the situation which is confronting us in the 1960's. It is no criticism of any past policy of the Congress to say that we have abandoned the level of defense that we had 2 years ago and have raised the level of the program to a higher plateau. A program to acquire a more immediately alert posture to resist aggression was inevitable. It has no political complexion. It would have come about sooner or later under any administration. It happens to be coming at this time, and it is timely. The committee feels that this action should no longer be deferred.

There was a time when we were so preponderant in nuclear weapons and other factors were such that we could safely afford to have a lower program for defense. The growth of nuclear weaponry in this country and in Russia enters into the picture. Intercontinental ballistic missiles are a part of the picture. The Army needs to come to the fore more than has been required in recent years. That is all a part of this pattern.

When and how to apply our military power is in large measure up to the Executive. It is up to the Congress, however, and it is the responsibility of the Congress to provide funds for the development of our military power. It is a sobering and demanding responsibility which we are required to fill in this field. It is the judgment of the Committee on Appropriations that additional funds are necessary. Let me say that in the matter of defense this year, as in former years, politics has played no part in the formulation of this bill. I cannot remember any occasion that members of the subcommittee divided along partisan lines on any issue which was recommended to the full committee in connection with this bill. That, I think, is the sort of atmosphere that the people of the United States desire and have a right to expect of the Congress, and I am glad that we can work in the area of defense in that kind of atmosphere.

GENERAL DETAILS OF THE BILL

I think it would be well to say that I have no disposition to undertake to discuss in great detail the provisions of this bill. Several hours would be required to do so. The report, especially the first few pages, contains much significant information which Members will want to have. The report points out, on page 2, that the bill carries a total of $47.8 billion for the Army, Navy and Air Force. Of this sum $11 billion plus is for the Army, $15 billion plus for the Navy and $19 billion for the Air Force. For the other defense agencies, in excess of $2 billion is provided. A table will be asserted to provide more detail.

If we look at this huge program in another way, we find that for the military personnel the bill recommends $12 billion plus.

For operation and maintenance and this, of course, is one of the "musts" that have to be provided for, $11.5 billion is recommended.

For procurement $16.5 billion.

For research and development $6.8 billion.

That makes up the principal part of the total of the bill before us. I insert, to provide more detail, a summary of appropriations table:

Summary of appropriations

Title	Appropriations, 1962 (to date)	Budget estimates, 1963	Recommended in bill, 1963	Bill compared with—	
				Appropriations, 1962	Budget estimates, 1963
Title I—Military Personnel	$12,805,000,000	$13,050,200,000	$12,901,890,000	+$96,890,000	−$148,310,000
Title II—Operation and Maintenance	11,731,130,000	11,568,800,000	11,551,473,000	−179,657,000	−17,327,000
Title III—Procurement	16,714,896,000	16,445,000,000	16,525,770,000	−189,126,000	+80,770,000
Title IV—Research, Development, Test, and Evaluation	5,243,930,000	6,843,000,000	6,860,358,000	+1,616,428,000	+17,358,000
Total, titles I, II, III, and IV	49,494,956,000	47,907,000,000	47,839,491,000	+1,344,535,000	−67,509,000
Distribution of appropriations by organizational component:					
Army	11,802,312,000	11,654,000,000	11,546,567,000	−255,745,000	−107,433,000
Navy	14,545,665,000	15,269,900,000	15,081,570,000	+535,905,000	−188,330,000
Air Force	18,836,534,000	18,926,500,000	19,177,634,000	+341,100,000	+251,134,000
Defense agencies	1,310,445,000	2,056,600,000	2,033,720,000	+723,275,000	−22,880,000
Total, Department of Defense	46,494,956,000	47,907,000,000	47,839,491,000	+1,344,535,000	−67,509,000

The bill provides, ladies and gentlemen, and it is your bill if you adopt it by your vote here today or tomorrow, for the support of men and women in uniform in the total number of 2.6 million-plus. It provides pay for approximately 1 million civilian workers.

It provides, of course, for millions of non-Government workers in defense plants of one kind or another. It provides for the support and operation of more than 30,000 aircraft. It provides for the operation and support of more than 860 ships, more than 700 active military bases and major installations. It provides for two additional regular divisions of the Army, and a tremendous acceleration of the state of readiness of the Army and of the other services.

It provides significantly, and I am sure the committee is unanimous on its decision, for support of the resumption of nuclear atmospheric testing in order to make sure that in this race for survival the United States shall not be caught short. Indeed, it provides strength and support for the Secretary of Defense and for the President of the United States during the forthcoming fiscal year at the conference tables wherever and whenever conferences may be held.

AIRCRAFT VERSUS MISSILES

Much has been said about missiles in recent years, and the buildup has been rather spectacular in the field of missiles, but there is no disposition to abandon the aircraft or to rely in the future on pushbutton warfare, so to speak.

The bill provides for a total procurement of 2,412 aircraft, of which 719 would be helicopters. In looking at it in dollars and cents and including research and development, plus procurement, the estimate included $8 billion for aircraft, and it provides 6 billion-plus for missiles. I offer a tabulation which shows this comparison in more detail:

Aircraft and missiles as recommended in the estimates for procurement and research and development

[Dollars in millions]

	Aircraft	Missiles	Aircraft to be procured	
			Type	Number
Army:				
Procurement	$218.5	$558.3	Helicopter	534
Research and development	52.8	447.0	Fixed wing	48
Total, Army	271.3	1,005.3		582
Navy and Marine Corps:				
Procurement	2,134.6	952.7	Helicopter	144
Research and development	160.4	671.9	Fixed wing	755
Total, Navy and Marine Corps	2,295.0	1,624.6		899
Air Force:				
Procurement	3,135.0	2,500.0	Helicopter	41
Research and development	489.8	1,304.1	Fixed wing	890
Total, Air Force	3,624.8	3,804.1		931
Total	8,054.4	6,434.0		2,412

Mr. SIKES. Mr. Chairman, this is a very pointed matter. I wonder if we might have a little better order.

Mr. MAHON. I wish to say to my colleagues on the committee that it is good to be heard when one speaks, but it is not so important that our colleagues or the citizens of our country hear the message that is contained in this bill today; the important thing is that the enemies of this country need to hear what is said, but more especially to take cognizance of what is done by this bill. It represents a resolute and determined position of the people of this country in the contest for world leadership.

RS–70 AIRCRAFT PROGRAM

I think it desirable to discuss the B–70 aircraft program, or the RS–70 as it is now known, the reconnaissance strike aircraft program. The report beginning at page 7 gives a very excellent statement on this situation. It gives evidence of support by the Appropriations Committee of the B–70 program which we have supported in prior years, in some instances even above the budget, as we do this year. It points out that we are now in the process of producing three 2,000-mile-an-hour prototype XB–70's, shall I say. The first one of these planes will fly, according to the estimates, in December of this year. The other two will come along later. The Air Force had desired an acceleration of this program to a six-plane program. The whole matter is being restudied by a high level policy group in the Office of the Secretary of Defense and by a high level policy group in the Office of the Secretary of Defense. We cannot see what the future will hold, but we have in this bill taken care of any eventuality from the standpoint of money insofar as the RS–70 is concerned.

We have provided $171 million, which is requested in the budget; we have provided another $52 million requested in the budget for use in connection with items akin to component parts of the RS–70. Then there are other programs which will inure to the benefit of the RS–70 program.

The committee provides $52.9 million above the budget for application to the RS–70 program.

In the event there are breakthroughs which will precipitate a much more rapid program for the RS–70, we have made available in this bill the sum of $300 million in emergency funds which are provided by direct appropriation or by transfer.

So it seems to me undoubtedly true that the RS–70 program will not suffer for funds in 1963. It is the view of the committee that it should not suffer for needed funds because of the tremendous significance and importance of this program.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Illinois.

Mr. ARENDS. I would like to ask the gentleman from Texas whether or not this item of some $52.9 million was taken through action by the committee, or was this a request from the Department of Defense; or, in other words, why was it put in here?

Mr. MAHON. It was taken as committee action, but not without consultation with the Department of Defense, particularly the Air Force. The figure is an Air Force figure. This money would be applied to the component parts of the RS–70 needed to make it a fighting weapon. It applies to the most significant area of the component parts and the perfection of this particular program will more or less make or break the program, because these are pace-setting programs within the framework of the RS–70 concept.

Mr. ARENDS. I approve heartily of what the committee did, but my question was, Did it come about through a request from the Department of Defense or was this solely and wholly by committee action?

Mr. MAHON. It was wholly and solely committee action but based upon consultation with the Air Force. As stated, the figure is an Air Force figure. The question of additional funds was also discussed with the Director of Research and Engineering of the Department of Defense.

NATIONAL GUARD AND RESERVES

Mr. Chairman, I forgot to mention, in saying what this bill supports, that we provide for the maintenance of the National Guard at 400,000 drill pay strength, as in previous years; we provide for the maintenance of the Reserves at a strength of 300,000 as in previous years. We have not been critical of the determination on the part of the Army and of the Department of Defense to give a greater degree of readiness to the Reserve program. But we have felt this level that has been maintained through the years will be a stabilizing and wholesome influence upon the guard and the Reserve program.

It is my hope this bill may be passed unanimously. I hope that our action will, in effect, be a message of encouragement to the enemies of this country to abandon aggressive designs and work with the free world toward the objective of peace and better understanding.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, a number of us have been in receipt of communications from educational institutions in our districts—and I know the matter was referred to in the press in a statement by the president of Columbia University—in regard to a provision in the bill that would restrict the overhead charges on grants with the Defense Department being handled by educational institutions to a figure of 15 percent. I am not familiar with all of the details, but I am advised by the educational representatives that this restriction would virtually eliminate many of our respected educational institutions from taking part in assisting the Defense Department. I wonder if the gentleman would comment on this or whether he might suggest a way in which we could amend the language so that we would not eliminate these respected and valuable institutions from the great service that they have been rendering.

Mr. MAHON. Well, I would be glad to comment on that.

The American people—and that applies to our colleges and universities; indeed, to all of us—more or less like to avoid restrictions, if possible. Nobody likes restrictions; we all like blank checks wherever reasonably possible.

Now, this restriction applies only to grants. The research grants provided in this bill are in the area of $40 million. Most of the programs for defense which are carried out by the colleges and universities are done not through grants but through contracts, and this provision does not relate to contracts. It relates only to the grants that are given by the Federal Government to the institutions.

Year before last a request was made for only $8 million for this purpose—for grants. Last year it was $28 million, and like most Government programs, it has snowballed forward and become more expensive. This year the sum of $40 million is requested for grants.

It is not the desire of the committee to hurt the colleges. I have a college of 10,000 students in my home town, Texas Technological College of Lubbock, Tex. Officials of the college have been in touch with me. Members of the Committee knew that this limitation would generate a lot of interest. This is all very wholesome and very good. I believe that as the result of this display of democracy in action, through the use of the telegraph and telephone and letters, we will be able to focus attention on this problem and that we will be able to arrive ultimately, in conference with the Senate, on a figure that will be reasonably adequate, 15 percent, less or more. The indications are that it might be more.

So, this is the situation in which we find ourselves. We must bear in mind that this is not really a Federal aid to education bill. That legislation is pending before another committee. But, we have gone along and provided funds for defense research in the colleges, and we are now simply trying to keep this thing from getting completely out of hand. I am sure that the colleges and the universities and the Members of the Congress are interested in preventing chaos in this area. Likewise we are aware of the importance of the work in research in the colleges.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Florida.

Mr. SIKES. Should it not be pointed out, I ask the chairman, that this is a limitation on indirect costs in the field of grants? This is to keep the costs not directly associated with the work that is being done for the Government from getting out of the ball park.

Mr. MAHON. The purpose is to get more defense out of the dollars we are appropriating by restricting the overhead to 15 percent.

That is a very obvious reason.

Mr. SIKES. If the gentleman will yield further, in talking about indirect

costs one may be talking about the cost involved with which to pay the fireman who fires the boiler in order to keep the university warm.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Michigan.

Mr. FORD. I think it should be pointed out that for the last several years we have had a 15 percent limitation in the Health, Education, and Welfare Department appropriation bill. Second, the Committee on Appropriations has sought for years to get a policy established in the executive branch of the Government whereby we would have uniform rules and regulations as to the amount of indirect overhead. The executive branch of the Government, for one reason or another, seems to want to avoid this problem. It is like a plague to them, and we have not been able to get any straight policy enunciation. I admit that this is a tough, hard way to approach it, but I am convinced that this is the only way to get any action from the administration.

Mr. MAHON. I must say that all of the items in the bill were not unanimously agreed to, but it was unanimously agreed by the committee when this bill was marked up that this research provision would generate more discussion and heat than many items in the bill involving even several billions of dollars. This is all right, but let us hold firm and work out a program during the legislative process that will be reasonably acceptable to all. We all have interests involved. The various colleges are very much interested, and should be, and I am sure they will accommodate to a program of sense and reason. Because of the way this program has skyrocketed, it needs to be brought under control in its early phase rather than after it has become a program of confusion in administration.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New York.

Mr. SANTANGELO. In connection with this very problem, on page 49 of the report there is an indication that the investigative committee has found that indirect costs to the universities in their research programs is exceeding 32 percent. However, in this report on page 14 you indicate that there is no desire on the part of the committee to hurt the institutions or to be too restrictive.

Does not the gentleman think that a reduction of 15 percent for legitimate costs, if they are legitimate costs, is being unduly restrictive?

Mr. MAHON. This varies. I think the overhead at Harvard is about 27 percent. The overhead at some of the other schools is higher. Many of them are lower. But why should a school in one State get a better break on overhead costs in programs of similar nature than a school in another State? What is wrong with some degree of uniformity in a Federal bill involving 50 States? That is what is sought to be achieved here. I think this will generate interest, to the point where the other body, plus this body, having heard all the facts—and that is one of the purposes of this amendment—will come to an agreement that will be reasonably acceptable. I hope the 15 percent might be reasonably adequate, but if it is not—and many think it is not—we do not want to do anything that would disrupt the important work which the great colleges and universities in this country are doing.

Mr. STRATTON. Mr. Chairman, will the gentleman yield again to me?

Mr. MAHON. I yield again to the gentleman from New York.

Mr. STRATTON. I appreciate the comments of the distinguished gentleman from Texas [Mr. MAHON] with respect to this, and particularly the reiteration of his view that he is not interested in disrupting this program. If I understand the gentleman correctly, the gentleman would recommend some adjustment in the 15 percent figure, so that the figure included in the legislation is not necessarily a hard and fast figure. I wonder if the gentleman might support an amendment offered on the floor which would raise this figure somewhat so that when we meet with the other body we can arrive closer to a final figure that would cause the least such disruption to our educational research programs?

Mr. MAHON. There is a time for everything. This is a time to sit steady in the boat and let this problem be aired completely.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Chairman, I would like to ask the gentleman from Texas, whose judgment I respect, a question with reference to the indirect cost of research grants:

Why is it, if, as the committee report says, the Committee on Appropriations is undertaking to arrive at a proper overhead cost and is planning to study the problem, why should we be attempting to arrive at a solution before we have had the results of that study? I would assume that the chairman is not suggesting that the present approach of paying these indirect costs is giving these institutions blank checks, which I believe was the gentleman's expression?

Mr. MAHON. I think what I said was I do not think we should give the colleges blank checks as to how many defense dollars they may apply to overhead.

Mr. FRELINGHUYSEN. Mr. Chairman, if the gentleman will yield further, is it not true that in every case under this flexible approach they have to justify the indirect costs in order to get reimbursement? I notice on pages 80–85 of volume 5 of the hearings, that the Department of Defense comes out in strong opposition to this approach of a 15-percent limitation. They say that there would be very real penalties imposed upon the educational institutions if we should apply this limitation as is now proposed.

I notice that Princeton University, in my State, has a figure for indirect costs of 72 percent as compared to the direct costs. The programs, I might point out, involve research and development in air propulsive systems, aircraft design, and so on.

These indirect costs would have to be justified in order to have reimbursement. I think that this limitation now being proposed would result in a very serious problem and create inequity, if the figure should be mandatorily reduced to 15 percent. I do not see how the committee can justify imposing it on the present system.

Mr. MAHON. This figure is the same overhead limitation that is carried in the Department of Health, Education, and Welfare appropriation bill. Defense is important, but health is also important. This was patterned after that provision. The ultimate figure will be fixed as the result of the legislative process, and this is the beginning of the legislative process in the House. The House can work its will. But I would urge the House to let this figure stay as it is at this time.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield further, briefly?

Mr. MAHON. I yield to the gentleman.

Mr. FRELINGHUYSEN. Is it not true that Dr. Brown, Director of the Division of Research and Engineering, pointed out that there were very real differences between the programs of Health, Education, and Welfare with reference to costs as compared to programs conducted for defense? Did he not argue that for that reason we should have a flexible approach in the case of defense and perhaps a fixed limitation in the case of other programs?

Mr. MAHON. It is true that in the hearings we tried to develop the pros and cons on this issue. Dr. Brown expressed views in opposition to the limitation. It is true that Dr. Harold Brown, Director of Research and Engineering in the Department of Defense is one of the ablest men in or out of Government. He is doing an excellent job, in my opinion, for the country. But the gentleman from New Jersey would be the last to say that the only function of Congress is to be a rubberstamp for the administrative branch. What we are trying to do here is to represent the taxpayers of the country generally and to try to bring into proper focus the handling of these grants to the various colleges.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Chairman, I have no objection, and I am sure the majority of the Members of this House have no objection, to this Committee and the Congress taking a long and hard look at this problem. This is not the only area in which this problem presents itself. It presents itself also in the grants for the National Science Foundation. We have a problem here—that is, the Subcommittee on Appropriations for Independent Offices. We do not believe there ought to be a restriction of 15 percent to every college and university in America. The gentleman did state that it might be 15 percent in one area and 30 percent or 40 percent or 28 percent in another. I do not think we ought to say

that it shall be 15 percent for every university. I think the gentleman recognizes that the costs at a particular university may be a little higher than at some other university in some other States around the Nation.

Mr. MAHON. I think the gentleman would agree, too, that this would vary as well with different programs. But this is an attempt to try to get hold of the reins, so to speak, and prevent a runaway.

Mr. BOLAND. There is no doubt about it.

I should like to read into the RECORD a telegram from Harvard University on this matter:

At Harvard University we are deeply concerned about that part Defense Department appropriations bill placing limitation 15 percent for indirect costs associated with grants. Our experience shows such limitation will place serious burden Massachusetts universities doing Government research. Indirect expense rate at Harvard, developed in accordance formula prescribed by U.S. Budget Bureau and audited by U.S. Navy Audit Section, is 28.2 percent. A 15-percent limitation on defense agency grants would necessitate the university making up the difference. As a result primarily of statutory indirect cost limitations on NIH grants, Harvard contributed over $1 million 1960–61 toward cost Government grant and contract research work. All other universities incurred proportionate losses which had to be met by diversion of funds from other university programs of research and education important in the interests of national security and welfare. I urge your support in removing this limitation from the defense appropriations bill.

NATHAN M. PUSEY,
President.

So actually Harvard is losing money under NIH grants.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to my friend, the gentleman from West Virginia.

Mr. BAILEY. If the gentleman will permit, I should like to read a wire I have received from Paul A. Miller, president of West Virginia University. It is just three or four lines:

Urge your consideration of increasing 15-percent limitation indirect costs of research in defense appropriation bill. This inadequate level distorts total university program by forcing transfer funds from other uses to guarantee indirect cost on federally sponsored research.

In conversation with members of the committee I find that they say the president of the university evidently has a mistaken idea of this. Would the gentleman mind explaining the situation he has raised here? He says the facts stated here are not the facts in the case.

Mr. MAHON. It is true that of the money we give to colleges in grants many of them are using in excess of 15 percent for indirect costs. It cannot be denied that many of the schools are using more than 15 percent.

Mr. BAILEY. Did I understand the gentleman to say earlier in his explanation that it did not apply to contracts?

Mr. MAHON. I did. There are about $300 million to be spent on contracts and about $40 million on grants.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield for two questions?

Mr. MAHON. I yield.

Mrs. GREEN of Oregon. The gentleman has talked about grants and contracts. As far as indirect costs are concerned, is there any difference?

Mr. MAHON. As to indirect costs, there might not be a marked difference, but in the one case it comes about as the result of the negotiation of a contract. We do not recommend any limitation in that area.

Mrs. GREEN of Oregon. There has recently been a study that has been released by the National Science Foundation. I wonder if the gentleman from Texas would comment on it. The Office of Economic and Statistical Studies for the National Science Foundation shows that the national average of indirect cost related to research in large universities is 28 percent and in small universities 32 percent. At another point the National Science Foundation has stated that if a 15-percent limitation is placed on these contracts or grants, either one, $36 million of university funds must be used to pay for these indirect costs. This is at a time when the Committee on Education and Labor is looking at the colleges and universities with a rapidly increasing enrollment and we have legislation passed by the House to give Federal funds to help build classrooms and to pay some of the costs they must meet. I wonder if the gentleman would comment, therefore, on these two reports from the National Science Foundation.

Mr. MAHON. I have not read the reports. I realize that the action of the appropriations committee is opposed by the colleges, that they would like to have no restrictions and probably larger sums. They are doing a great work. We want to encourage them to do a great job. We will be glad to look further into this whole problem and are sympathetic to it. I am not one who is wholly untouched and unrelated to it. I have the second largest State-supported school in Texas in my own home town. The Members of the House can rest assured that this thing will be handled in a prudent way.

Mrs. GREEN of Oregon. The gentleman talked about the universities and colleges objecting because of the needs there, but this is the National Science Foundation, really a branch of the Government, that in its study comes up with the fact that in the large universities the cost is 28 percent and the small ones 32 percent. This, it seems to me, is an objective statement.

Mr. MAHON. It is a point in the controversy which has arisen. It is a part of the story.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Texas.

Mr. BECKWORTH. Apparently the General Accounting Office made available some statistics recently which indicate that millions of dollars are being wasted in the Defense Department by the type of travel practices and procedures followed. Did the gentleman and his committee find any evidence as to a lot of waste in the travel practices of the Defense Department personnel?

Mr. MAHON. For years we have been hammering away in the Congress at excessive travel costs, and the gentleman has participated in this effort. We have made arbitrary percentage cuts. We have written reports. We have done what we could in this area. I think our efforts have been helpful in keeping these costs from going completely beyond bounds. The Department of Defense is now using the practice of having people who travel at times to travel second class rather than first class. I am sure many of the Members of the House of Representatives, when they make a long trip, travel coach probably or tourist class in the big planes. There is no good reason why there should not be some economy here. It is not a matter of first-class citizenship or second-class citizenship. It is a matter of providing an adequate expense allowance and that program is being implemented to some extent at this time in the Department of Defense.

Mr. BECKWORTH. Our colleague, the gentleman from Texas, always makes a very, very splendid statement about our defense program. I want to commend the gentleman for the great job of work he does for the Congress and for the country along that line. I was particularly impressed by the method by which the gentleman portrays the fact that we are not pursuing a so-called no-win policy. The gentleman makes it crystal clear that every citizen in this country by paying $258 of this bill, certainly, is trying to carry forward a win policy. I would like to make this comment. Just a few days ago, we had the Secretary of State before the Committee on Foreign Affairs. I asked him this question: "Mr. Secretary, if you should find a single individual in your Department pursuing or advocating a no-win policy, would you fire him immediately?" He said he would fire such an individual.

Mr. MAHON. I thank the gentleman for his very generous reference to me.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to my colleague, the gentleman from Wisconsin, a member of the committee.

But, Mr. Chairman, I do want to say in reference to the comments by our colleague, the gentleman from Texas [Mr. BECKWORTH] that I am only one member of a team on the defense subcommittee. We all work together and I deserve no special credit.

Mr. LAIRD. I would like to ask the chairman a question about the language on page 39 of the report. I have had an opportunity to discuss this language with him.

Mr. MAHON. I had hoped my colleague would defer that discussion until later.

Mr. LAIRD. I would like to have that point clarified at some point in the gentleman's remarks.

Mr. MAHON. I yield to my colleague, a member of the committee.

Mr. LAIRD. With reference to this particular section, in the committee I offered an amendment to limit the cost

of the carrier to $280 million. That particular amendment was adopted. Now at the top of page 39 there is this sentence in the report:

Should additional funds be required for the construction of the carrier, they can be reprogramed from prior year funds presently available, and through the competitive assignment of other ships to private yards, without the loss of any ships from the approved program.

My question, Mr. Chairman, is, Is this an invitation to go beyond the $280 million?

Mr. MAHON. In the opinion of the gentleman from Texas, it is certainly not an invitation to go beyond the $280 million. I realize the statement could be misleading. It was the determination of the committee that the aircraft carrier, that is the new carrier that is being talked about, would cost $280 million. It is true technically that there are some ways by which modification may be made in the future, but this language should not be interpreted to mean that the committee feels there should be any change in the $280 million figure.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. I would like to point out that one subcommittee on which I serve looked into NIH operations. We found that in some instances 7 percent is too much for indirect cost, but in other cases perhaps 28 percent is not too much. It depends upon the bookkeeping methods and allocations to direct and indirect costs.

My question is this: If we put a limitation of 15 percent on indirect costs, would not this in effect result in forcing a bookkeeping system upon the grantee which would shift some of the indirect cost over to direct cost?

Mr. MAHON. I would think they they would make a sincere effort to live within the limitation that is fixed upon them by the Congress.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I would like to get back to section 540 again, if I could. Do I understand if this should be included that we would be obliging the institutions to prove that their indirect overhead costs are justified? Even if they submitted proof could they get no more than 15 percent of those costs, even though as in the case of the Massachusetts Institute of Technology the indirect costs have been over 51 percent? Would they be limited to a 15-percent reimbursement? Even to get that much would they have to prove that they spent over 15 percent? Is that correct?

Mr. MAHON. I believe the statement I have previously made in connection with this problem clarifies my position on the subject.

Mr. Chairman, I reserve the balance of my time.

Mr. FORD. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, I will make a few comments at the outset indicating my approval of the committee reccommendations. As in every instance where we have legislation before the Committee on Appropriations there are cases where you may or may not agree with every specific decision. Even with that reservation, however, I certainly endorse what the committee has proposed.

In my judgment this appropriation bill is in general a continuation of the basic military policy that we established right after the Korean war. There are some changes in programs and policies in the recommendations this year; on the other hand, it is not a significantly different program than the ones we have had over the last few years. The changes that have been made in programs or policies reflect the different conditions that we face today worldwide or conditions which we may be called upon to face several years hence.

I would like at this point to review the actual committee decisions as to the budget itself. I do this because if one makes a casual observation of the committee report one might come to the conclusion that the committee is recommending a very insignificant dollar reduction. If you refer to page 2 of the committee report you will find that the net reduction according to the statistical information is only $67,509,000 against an overall amount recommended in the bill of $47,839,491,000. In reality, if one carefully reads the report one will find that the actual reduction below the budget recommended by the administration is $581,509,000, which is a reduction of 1.2 percent.

The committee in reducing this appropriation bill has acted no differently than in the consideration of other appropriation bills over the last few years.

For example, in the 85th Congress, 1st session, the House on the recommendation of this committee reduced the appropriation bill by 7.1 percent. In the 85th Congress, 2d session, the House increased the administration's military request by 0.5 percent. In the 1st session of the 86th Congress the House, on the recommendation of this committee, reduced the appropriation bill by 1 percent. In the 2d session of the 86th Congress, the House approved this committee's recommendation increasing the appropriation by 7.3 percent. In the 1st session of the 87th Congress, last year, the House went along with the reductions recommended by this committee of 0.5 percent. In the 5-year span I outlined, the average reduction has been 1.5 percent. The reduction this year, if you will look at the true figure, is 1.2 percent.

So our committee has not treated this bill one iota differently than we have treated any others. The committee in 1962 exercised its judgment for reductions and increases just as we have done heretofore. We have found areas of disagreement with the Department of Defense in this bill as we found in previous years.

How did we arrive at the $581,509,000 for reduction? To understand the result requires some careful consideration of the process.

Last year the Congress approved $514.5 million to be earmarked for the procurement of long-range bombers. In the law which we approved for appropriation of the Defense Department in the fiscal year 1962, the Congress said: "of which not less than $514,500,000 shall be available only for the procurement of long-range bombers."

This language gave the Defense Department the right to spend this much money for the additional procurement of B–52's, B–58's, and possibly B–70's. The Defense Department decided not to use this money in fiscal 1962.

At the time President Kennedy recommended his budget for fiscal 1963, he proposed that this $514.5 million, which could only be spent this year for long-range bomber procurement, be carried forward to help provide funds for fiscal year 1963. He requested that the Congress free these funds from this limitation in fiscal year 1962 to help finance the program for the next fiscal year. Our committee has decided and is recommending that we in effect rescind this $514.5 million, and then appropriate a new amount of $514.5 million on the basis that if in fiscal 1962 the administration was not going to follow the directive of the Congress and spend this money for B–52's, B–58's, or B–70's procurement, we should strike the availability of the funds and start fiscal 1963 fresh.

So on page 25 of the bill before you, you will find this language:

Provided further, That funds restricted to procurement of long-range bombers in this appropriation for fiscal year 1962 shall not be available for obligation after June 30, 1962.

With that action taken, then we added $514.5 million to the Air Force aircraft procurement account. From that point on we considered the administration's request on its merits for fiscal 1963. We are simply following out what makes sense to me, namely the policy that if the executive branch of the Government does not carry out the will of the Congress, we should take action to rescind that which we proposed and then start afresh in the new year.

Actually we added $514.5 million to the aircraft procurement account for the Air Force as shown on page 25 of the appropriation bill before you. As a consequence of the previous action, the actual amount that we started with in that account was $3,649,500,000. On the other hand, after we had taken that action, we then reduced this account by $141.6 million in the following way:

We reduced the fund to the extent of $40 million, because we believe they can improve fiscal management and increase competitive contracting.

We cut the obligation authority in this account by $2.5 million because we think they can do better in the component improvement program.

We cut $85 million in this account because we think their replenishment program for aircraft spares was overstated.

We cut $10 million in this account because we feel that private industry should contribute $10 million to the C–141 program. It is the committee's feeling that the C–141 program, which is the new long-range military transport, should not be completely supported by the De-

fense Department. This particular aircraft, when it is flying, will have certain benefits for private industry. It can be used and will be used by private industry; at least, a private industry version can and undoubtedly will be built and used. It is our committee's feeling that private industry ought to make a contribution to the development cost of this aircraft.

There is a $2 million reduction in the painting of aircraft program. This item is somewhat interesting. The Air Force wanted $17,631,000 to paint aircraft to prevent corrosion. We admit there is need to paint aircraft to prevent corrosion, but we thought $17,631,000 was a pretty expensive painting program, particularly when they were only going to spend $140,000 on paint. So, we just took $2 million off and thought they could get this painting job done and done adequately for $15,631,000.

Mr. MINSHALL. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Ohio.

Mr. MINSHALL. Is it not a fact that to paint one aircraft they wanted some $65,000? That was just for the painting of one aircraft.

Mr. FORD. I think the gentleman is right. Our committee thought this program needed a careful scrutiny, and we are helping them by cutting $2 million from the request.

The committee has recommended a $2.1-million reduction in the procurement of aircraft for the logistic support program for missile sites. The net result is in this one account we have added $514.5 million, but on the other hand, as I have indicated, we reduced it by $141.6 million.

It should be pointed out, in addition, on the broad picture, that the committee is recommending an increase of $698,792,000, which includes the $514.5 million and $184,292,000. The $184,292,000 are as follows:

1. $52,900,000, for further component development related to the RS–70;
2. $42,000,000, to accelerate the Dyna-Soar manned glider space program;
3. $16,970,000, to insure a more economical buy on certain aircraft;
4. $11,500,000, to insure keeping the Mark 46 torpedo on schedule, because of its importance as an antisubmarine warfare weapon;
5. $58,800,000, to maintain the strength of the Army National Guard at 400,000 and the Army Reserve at 300,000;
6. $2,122,000, for water service at certain Marine Corps and naval facilities, and for the National Board for Promotion of Rifle Practice.

On the other hand, we are making reductions—and this is the important thing—which are financial adjustments of $456,210,000, plus $310,091,000 in program decreases. The details of these various reductions are set forth on pages 3 and 4 of the committee report. The reductions are itemized in the following insert:

1. $196,110,000 eliminated for the proposed military family housing revolving fund, pending authorization by law;
2. ¢116,500,000, based on committee estimate of increase in anticipated recoupments of carryover funds from prior years;
3. $45,000,000, to discourage excessive unobligated balances;
4. $39,500,000, on basis that off-shelf sales receipts have been underestimated;
5. $30,000,000, as change in ship construction financing;
6. $20,000,000, substitution of transfer from the Navy industrial fund to finance construction of a MSTS ship;
7. $9,100,000, for several additional minor adjustments.

(b) Program decreases totaling $310,091,000, including:

1. $134,000,000, in aircraft spare parts procurement and management;
2. $68,600,000, related to better contract procedures, improved pricing, and sharing development costs with industry;
3. $25,000,000, in communications improvement programs;
4. $20,000,000, by reason of changes in the mobile mid-range ballistic missile program these funds will not be needed in fiscal year 1963;
5. $62,491,000, representing numerous other decreases in operation, procurement, and research and development programs.

Mr. Chairman, in the past it has been my practice to take some time in the discussion of this bill to lay out in some detail the amounts that are in each account and the specific reductions or additions, account by account. I have done this through the use of charts. But this year, because there are a number of specific items that need special attention, in my opinion, I will change my method of explaining the bill and concentrate on the several areas which I think are vitally important.

First, may I make a few remarks about competitive bidding: This Subcommittee on Defense Appropriations and the Committee on Appropriations as a whole have been very concerned about the competitive bidding problem for several years. The committee has been deeply disturbed about what we call letter contracts. We have been disturbed about letter contracts that seem to drag on ad infinitum, and for months never reach the status of a firm contract.

Mr. Chairman, last year in our committee report the committee had this to say, on page 40:

Lack of competitive procurement in defense contracts.

That is the title of the section, and I am quoting from the report itself, now:

At the heart of the procurement problem is the failure to award many major contracts on a competitive formally advertised basis.

Then, Mr. Chairman, on page 41 of the committee report for fiscal year 1962 we had this to say:

The Armed Services Procurement Act expresses indisputable preference for formal advertising. Even the Armed Services Procurement Regulation of the Department of Defense gives clear expression of preference in this regard. The committee has revised section 523 of this bill to give additional emphasis to this stated statutory policy.

Later on in the committee report, on page 41, this is added, and I quote again:

This statutory policy must be implemented and not bypassed as has been done to date.

Mr. Chairman, the committee report goes on to quote from the Deputy Secretary of Defense, Mr. Gilpatric. He had made a speech, and he spoke out very forthrightly to the effect that we had to do something about competitive bidding, and they promised to do something. I, for one, applaud this attitude.

Mr. Chairman, this year in the hearings, part 4, under "Procurement," our committee had the pleasure of having the Assistant Secretary of Defense for Installations and Logistics, Mr. Tom Morris, before us. He made a very fine presentation about the improvements that are being made in the operation of the Defense Department. I applaud this.

On page 492 of the hearings Mr. Morris had this to say, and I quote:

No other subject has received more attention—

Speaking of competitive procurement—

during the past year in our 60 major procurement offices. This accounts for the encouraging trend which shows a rise in price competition during the first 6 months of fiscal year 1962, to 36.2 percent, compared to 32.9 percent for the fiscal year 1961.

This attitude made a good impression on our committee.

Over on page 494, Mr. Morris had this to say:

Our principal progress in achieving greater price competition has been through informal price competition rather than formal advertised bidding. We endorse and advocate the use wherever possible of formal advertising as the preferred method of procurement, since this method imposes safeguards against any favoritism in procurement by its requirement for unrestricted competition, sealed bids, public opening, and automatic award.

At the same time that Mr. Morris was before the committee, we had the Assistant Secretary of the Air Force for Materiel, the Honorable Joseph S. Imirie, and he spoke of the progress which was being made in the Air Force Department in getting more competition, open competitive bidding. We applauded that point of view.

Then we had the Assistant Secretary of the Army for Installations and Logistics, the Honorable Paul R. Ignatius, and in his statement on page 509 he said:

Formal advertising is, of course, the preferred method of procurement. Its advantages need no elaboration here.

Then we had a statement by the Honorable Kenneth E. BeLieu, the Assistant Secretary of the Navy for Installations and Logistics. He spoke at page 514 about increased competition and he said:

Without question, increased competition among qualified producers is an effective way to reduce weapon costs.

This was a very impressive presentation by the three people in charge of procurement for the three military departments. I was encouraged. But last Friday, to my utter amazement, I heard through the press that in apparent disregard of the procurement laws, the procurement regulations and the previous policy statements, a procurement award by telephone had been made of $5 to $6 million to Lukens Steel of Coatesville, Pa., for the procurement of 11,000

tons of special heat-treated armorplate. It is difficult to imagine—a telephone order of $5 to $6 million without consideration to competitive bidding. I could not believe what I had heard. But I checked with the Department of the Navy today and I am told that in midafternoon of Friday, the 13th, the Navy did award an order of 11,000 tons of special treatment steel for the Polaris program.

It is my understanding that there are three companies that heretofore had made or are capable of making this special armorplate. It was developed initially a few years ago by United States Steel and produced by them at the company's Homestead, Pa., plant.

They did not patent the process even though the company might have done so. They made it available to their competitors, including Lukens Steel, of Coatesville, Pa. For the last several years Lukens Steel of Coatesville, Pa., and United States Steel at its Homestead plant have been bidding competitively to provide this steel to the Defense Department. It has been an open competition with sealed bids. Sometimes Lukens has received the award and sometimes United States Steel has received the award, and sometimes both have received a piece of it.

Within the last year Armco, another major steel producer, developed a similar capability. This company has a plant down in the great State of Alabama. They call it the Armco Sheffield plant. Recently they have been bidding on this program, and I understand they have been getting through competitive bids, sealed bids, a share of this business. But I understand on last Friday about midafternoon the Navy, as directed by higher authority, called up Lukens Steel and ordered from this one company the full amount of 11,000 tons. They ignored Armco, that was another company that had not raised its prices. The basis for the award, according to what the Navy tells me, was that Lukens had not raised its price. However, it should be pointed out Armco had not raised its price. I wonder why the Navy called only Lukens? Why did the Navy exclude Armco, Sheffield Division?

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. FORD. I will be glad to yield to the gentleman from Wisconsin.

Mr. LAIRD. The gentleman has very clearly pointed out an apparent violation of law by the Secretary of Defense and by the Department of Defense in not following the competitive-bid practices and procedures which are laid down by law. It seems to me, and I am going to develop this in my remarks a little later, that this whole award was illegal. If we are going to get away from the idea of competitive bidding regardless of what the established price may be by a particular manufacturer, if we are going to do away with this whole competitive bidding procedure, this Department of Defense appropriation bill is going to go up by leaps and bounds in the future. I think that we have to call the Department of Defense to task for this violation of the laws enacted by this Congress.

Mr. FORD. At this point I want to raise several questions. I am asking our chairman to have our committee hold hearings where the representatives of the Defense Department can answer certain questions. I do not know whether the law has been violated or not. I think the committee ought to ask some very pertinent questions on this specific point.

Mr. LAIRD. The gentleman knows there were no bids submitted.

Mr. FORD. There is no doubt about that, in view of the telephone order of $5 to $6 million.

Let me ask these questions, and these are some of the questions I want our committee to go into:

First. Why was the competitive-bid process as required by law and by regulation bypassed in this instance?

Second. Why was the Defense Department's alleged policy of getting more rather than less competition changed in this instance?

Third. Were the legitimate rights of the unemployed in the Homestead mill area in Pennsylvania ignored?

This is a very interesting question. In the Homestead, Pa., area they have had for some time substantial and persistent unemployment. This area, where the United States Steel plant is, is under Department of Labor designation a group E area, which means that unemployment is between 9 and 12 percent. As of February 1962, according to the statistics of the Department of Labor, unemployment is 9.9 percent in this area.

The Lukens Steel Co. plant is in Coatesville, Pa., which is in Chester County. This area in February 1962, had 7.1 percent unemployment. Previously it had been designated as a group D unemployment area which means substantial but not persistent unemployment. The group D has an unemployment of 6 to 9 percent.

Our committee ought to ask why this procurement was directed to the Coatesville area when they have less unemployment than they have in Homestead. I do not understand why they want to take an opportunity to bid competitively from a company that has its plant in an area where unemployment is higher. I cannot understand the administration's policy in this regard. These are the kind of questions we ought to go into.

Mr. OSTERTAG. Mr. Chairman, will the gentleman yield?

Mr. FORD. I am glad to yield to my colleague.

Mr. OSTERTAG. Would the gentleman say that this apparent or alleged violation in placing an order without regard to competitive bidding has all the earmarks of being associated with the recent proposed steel price rise?

Mr. FORD. There is no doubt in my mind that this was a method of trying to club or coerce somebody by unusual means. This is a strange tactic of big government against private enterprise. In this instance the taxpayer is adversely affected by a lack of competitive bidding.

Now I would like to ask another question: Why was the procurement expedited by 6 months? Normally, according to the information I have, this procurement would not have been made until early fall 1962 and it would have been actually a procurement by the private shipyards that have the specific Polaris contracts. But, in this case for some strange reason, it was a procurement made by the Government from 4 to 6 months ahead of schedule.

Then another question: If I came from the State of Alabama, I would ask this question: Why, when the telephone order was placed for $5 to $6 million, did the Navy not call Armco Steel in Sheffield, Ala., and give them a chance to get in on the award. Armco had not raised its prices. If I were in Armco's boots, I would protest to the General Accounting Office. Armco has a justifiable reason to complain.

Mr. Chairman, I hope I have impressed on you the fact that we ought to have an investigation of this matter. We ought to find out what the facts are. Were there any violations of the law? What are the reasons for any change of policy.

Mr. Chairman, on page 32 of the committee report, the committee makes some comments about the ineptness and the inconsistency of the security review program. We reduced this part of the budget by $66,000.

I am thoroughly convinced that the security review functions of the Department of Defense too often have been handled in an inept and confusing manner. The right to and the necessity of an objective security review of testimony given in executive session before the Subcommittee on Department of Defense Appropriations is not the issue. The problem is the operation or management of this important responsibility. Our committee made a reduction of $66,000 in funds included for these security review functions under "Operation, defense agencies." On page 32 of its report, the committee says:

> Statements made by certain representatives of agencies have been deleted in some instances while statements of representatives of other agencies containing the same information have not been deleted from other portions of the record.

Quite frankly the committee in effect is saying that in the security review operation, in many instances the "right hand does not know what the left hand is doing."

The dissemination of information on governmental activities is a vital cornerstone of any free society. The people of the country must be sufficiently well informed to make their wishes known on important issues. At the same time, information which is not of assistance to the people of the United States but would be of assistance to military intelligence agents of the Soviet Union or any other enemy should not be revealed. There is sometimes a fine line between the two. For this reason, those who are empowered to make the decisions as to what information shall be given the American people and what information shall be withheld from them must be persons of competence and complete objectivity. The use of security review to withhold information from the American people

or to cover up vital issues for political reasons cannot be permitted. The Directorate for Security Review of the Department of Defense should be adequately manned by able, knowledgeable individuals, and they should be directed by persons who have no political axes to grind and who impress upon their staffs the need for objectivity and uniformity in their decisions.

In examples to be cited later I will show that the persons who deleted or censored portions of testimony in the hearings of the Subcommittee on Defense Appropriations were not even aware of other testimony on the same point being given before the same subcommittee within a very short period of time. The attempt to delete from the record my innocuous statement concerning the U–2 flights, in the face of the public testimony which has been available for almost 2 years now, seems like the attempt of the totalitarian government described in George Orwell's book "1984" to rewrite history to suit the current viewpoint of the Government.

The examples I will give are but two of many which the members of the Subcommittee on Defense Appropriations had to contend with during this session of Congress. A great many, even more ridiculous, attempts at censorship were made. After inquiry by the members of the committee as to the reasons therefor, many of them were cleared for printing in the public record and the original censoring explained as a clerical error or inadvertent deletion.

Dr. Harold Brown, the Director of Defense Research and Engineering, presented a very interesting statement to the committee. Upon the completion of this statement some of the members asked Dr. Brown how such a statement could be unclassified and placed in the public record. After pointing out that the statement had been reviewed and that it did not contain material which it was thought would be helpful to an enemy he said:

My own judgment is that because the way we determine things in this country, and it is the right way, the way that distinguishes us from the other side, we must have an informed public. We can only have an informed public by giving out information that we perhaps sometimes wish not so many people knew.

This is the viewpoint which must be shared by those whose duty it is to review remarks by personnel of the Department of Defense. The Senate Committee on Armed Services has had extensive hearings on the censoring of speeches of military officers. I have no desire to involve myself or our committee in their deliberations. However, the Committee on Appropriations this year has had unfortunate experiences with the censoring of testimony not only of military officers but of questions of Members of Congress. Obviously all is not well with the Public Affairs Office of the Department of Defense. And I urge that immediate steps be taken to see that a proper job is done in this important field. There have been enough excuses and alibis. The committee wants an objective and consistent job done immediately.

Now let me illustrate what I mean and also present the basis for the committee viewpoint. I have been deeply concerned about the vital necessity of proof or system testing of our ballistic missile systems with nuclear warheads such as the Atlas, Titan, and Polaris, which means the firing of a ballistic missile with a nuclear warhead by operational crews. Throughout the hearings in 1962 on the fiscal year 1963 military budget I repeatedly asked questions on the problem of General Lemnitzer, Chairman of the Joint Chiefs, Admiral Anderson, Chief of Naval Operations, General Smith, Vice Chief of Staff of the Air Force, and General Decker, Chief of Staff of the Army. In 1961 during the hearings on fiscal year 1962 budget the chairman of the Defense Subcommittee, the gentleman from Texas, Mr. GEORGE MAHON, made similar inquiries concerning this important matter.

The security review in this area, as I will illustrate, has been far from satisfactory. Let us look at the record, which speaks for itself, as found in the published hearings of 1961.

In the hearings, Department of Defense Appropriations for 1962, part 4, page 442, Mr. MAHON asked on May 1, 1961, the following question of the Under Secretary of the Air Force, Hon. Joseph V. Charyk, and Lt. Gen. Roscoe G. Wilson, Deputy Chief of Staff for Development:

Mr. MAHON. Have we ever fired a fully equipped missile with an atomic warhead and had it explode and carry out its mission?

After an off-the-record discussion General Wilson made the following statement:

General WILSON. I think you can determine an estimate of reliability mathematically, but in the end you have to conduct tests to prove out your hypotheses. So testing is the only answer. Would you bear me out, Dr. Charyk?

Dr. CHARYK. Sure.

Mr. MAHON. Do you mean to say unless you fire an ICBM with a nuclear warhead, you have not sufficiently tested your weapon?

Dr. CHARYK. I think that is correct; yes, sir.

Your probabilities can run very high, indeed, without tests, but they remain, until you test them, hypotheses. That has been the military view.

We have been extremely nervous about having anything in stockpile that has not been tested, even though we are assured that the probability of success is very high. We feel so much depends upon a high order of success that we must test things.

A bit later Mr. MAHON asked this question:

Mr. MAHON. Where are we going to get definite and complete assurance? If we are going to place the chief reliance at some future time on the intercontinental ballistic missile for the protection of this country, we need to know the facts of life with the greatest degree of accuracy.

Dr. CHARYK. Actually, we of course can fire a missile and check all elements of the system, but——

Mr. MAHON. We have never fired a nuclear warhead, subjecting it to the shock it would be subjected to at the time of launch, and subjecting it to the speeds and atmospheric changes incident to its flight to its objective. How are we to know but that this might bring about some change in the weapon that would make it ineffective?

Having attended the hearing in 1961, knowing what was in the published hearings and being deeply concerned about proof or system testing of nuclear warheads of ballistic missiles, on February 1, 1962 I asked the Secretary of Defense and General Lemnitzer certain questions about the situation. My questions and the answers were deleted from the printed hearings by the security review process.

This was difficult to understand bearing in mind the questions asked in 1961 by Chairman MAHON and the responses by Under Secretary of the Air Force Charyk and Lt. Gen. Roscoe G. Wilson. The inconsistency of this decision is more flagrant if one reads the following from the printed hearings for this year, 1962.

On page 412 of the hearings, Department of Defense appropriations for 1963, part 2, I asked the following question of the Chief of Naval Operations:

Mr. FORD. I think this is very impressive, but let me ask you this question: Have you ever fired a Polaris missile with a nuclear warhead from a Polaris submarine operating at sea?

Admiral ANDERSON. No. We have done all the testing up to the point of having the nuclear head in the weapon itself. We have had instead, telemetering to give us the information back that we would presume would give us the degree of reliability, or the indication of reliability that we have to have.

No request was made by the Directorate for Security Review for this material to be deleted from the printed record. McNamara and Lemnitzer testified February 1, 1962 and Admiral Anderson 5 days later.

On page 507 of the same hearing I asked the following question during the appearance of the Secretary of the Air Force and Vice Chief of Staff of the Air Force:

Mr. FORD. I am disturbed that scientists who designed these weapons are the ones who are telling us that they are going to work. It would be very helpful, it seems to me, if the military people who have to use them had some practical experience in the firing of them.

General SMITH. Actually, I would like to expand on that, Mr. Ford, because as far as firing is concerned the military people do get practical experience. In our category 3 testing of Atlas, for instance, and in category 3 that will come on for Titan I and Titan II and Minuteman, the SAC crews actually fire the weapons system and fire it on a range where results are measured for accuracy. And crews are checked for their ability to handle the complex jobs they have to perform prior to, and during, launch.

The only thing that has not been exercised in Atlas, as an example, is the actual detonation of the warhead at the termination of an actual trajectory. All of the relays and other things which have to function after the reentry body comes back in have been tested.

In concluding a longer and somewhat detailed discussion of this problem, the following concluding question and answer were made—page 508:

Mr. FORD. If such tests were undertaken, and assuming that the Soviet Union would have means of knowing such tests were

made, it would certainly improve the credibility of our deterrent force.

General SMITH. I believe so, sir.

In this instance General Smith testified 12 days after McNamara and Lemnitzer. I am completely puzzled by the paradox that the testimony of General Smith, Admiral Anderson, Secretary Charyk can be published but the statements of Secretary McNamara and General Lemnitzer may not be printed. I can see no justification for a deletion in one and not in the other.

Let me take another example. In this case inconsistencies in policy are obvious but in addition in this instance I confess there is some evidence that the deletion of my question and the answer have a political rather than a security flavor.

On February 1, 1962, while General Lemnitzer and Secretary McNamara were testifying in executive session before the Defense Subcommittee on Appropriations there were questions raised and answers given concerning the adequacy of our military intelligence program. Because of an answer given by General Lemnitzer I asked a question about the U–2 program and the impact of its discontinuance in May 1960. In my judgment it was an important question which should have been answered for the record. My reference in the question to the U–2 program by any definition, including past decisions by security review, was certainly printable. Yet it was deleted in the security review process by the Department of Defense.

Let me show how inconsistent and unreasonable the deletion was.

On June 2, 1960, the then Secretary of Defense, the Honorable Thomas S. Gates, Jr., in testimony before the Committee on Foreign Relations of the U.S. Senate, page 124, stated:

We obviously were interested in the results of these flights as we are in all of our Nation's intelligence collection results. For example, from these flights we got information on airfields, aircraft, missiles, missile testing and training, special weapons storage, submarine production, atomic production and aircraft deployment, and things like these.

These were all types of vital information. These results were considered in formulating our military programs. We obviously were the prime customer, and ours is the major interest.

The above testimony was printed and made available to the general public.

At a later point in the same hearing the following colloquy took place—page 136:

Senator HICKENLOOPER. Now, these U–2 flights have been extremely valuable in the securing of intelligence, have they not?

Secretary GATES. They have indeed, Senator.

Still further—page 138—the following colloquy took place:

Senator LONG. If it were essential or important that the U–2 flights be made for years, right up to and including May 1, is the defense of the United States adversely effected by an absolute discontinuance on May 13?

Secretary GATES. We have lost, through compromise, an important source of information.

Senator LONG. In other words, we do badly need the same information that we were gathering with the U–2 flights?

Secretary GATES. We need a continuity of this information, I think, Senator.

Still further on page 143:

Senator LAUSCHE. My question is, If you did not have the knowledge acquired through the U–2's, could you have intelligently developed your national defense to cope with the actual, potential military power of the Soviet?

SECRETARY GATES. Not as well, Senator; by no means.

Still further, page 154, the following colloquy took place:

The CHAIRMAN (Senator FULBRIGHT). In other words, the result of your overflights and the information you got has given you a better appreciation of their military strength and that appreciation is that they are very well armed—is that correct—better than you expected?

Secretary GATES. In some case, yes. In some case, perhaps less well than they advertised.

The then Secretary of State, the Honorable Christian Herter testified—on page 7:

The U–2 program was an important and efficient intelligence effort.

Later in the same hearing—page 37—the following colloquy took place:

Senator HICKENLOOPER. Would you care to give an opinion on the value to this country, in our defensive posture, of these flights, this series of flights which have gone on over Russian territory for the last several years?

Secretary HERTER. Yes, sir. I will give you this opinion. It is a layman's opinion rather than an expert's opinion, but I think they were of very great value to us.

If all this testimony by responsible Government officials could be printed, there was absolutely no reason to censor my question on the U–2 program.

The committee action in reducing funds for security review by $60,000 may appear to be harsh. However the reduction in funds is about the only method I know to straighten out the problem and accomplish better management. Certainly the current operations as they affect testimony before our committee are unsatisfactory. Individual committee members and the committee staff could give many similar illustrations, some more ridiculous than those I have cited.

In conclusion let me assure those responsible in the Department of Defense that when there is evidence that the management and operation of the security review section is remedied I will personally do all that I can to see that adequate funds are available.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Kansas.

Mr. AVERY. Since the gentleman is looking at the committee report, page 32, yesterday we had the Department of Defense military construction authorization bill before us. That bill carried authority for the command to spend up to 50 percent of the cost of replacing a comparable family housing unit to rehabilitate an existing one.

I am trying to translate that over into the appropriations that are included in this bill. Would that be compensated for in this bill? Or how is that to be correlated?

Mr. FORD. Until that becomes law it is a little difficult to be specific.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. VINSON. I think I should state that such items referred to in the construction bill do not appear at all in this bill. This bill does not relate to that. That would be dealt with by the subcommittee headed by the gentleman from California [Mr. SHEPPARD]. This bill deals with aircraft, missiles, ships, and the general running of the establishment.

Mr. FORD. I agree with the distinguished gentleman from Georgia, but after the buildings to which the gentleman refers are built, operation and maintenance money in this bill does take care of their operation and maintenance.

Mr. VINSON. But I may say in reference to the operation and maintenance hereafter under the bill we passed yesterday it will have to be authorized before it can be appropriated for. That was in the bill yesterday.

Mr. AVERY. If I understand it, then—I am only trying to develop an understanding, not to create controversy—after this year the money for rehabilitation will appear as a line item?

Mr. VINSON. That is correct; that was written in the bill yesterday.

Mr. AVERY. Then for all practical purposes we are proceeding now as we have in the past.

Mr. VINSON. That is it exactly.

Mr. AVERY. I thank the gentleman from Michigan and the gentleman from Georgia.

Mr. WESTLAND. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. WESTLAND. The gentleman earlier touched a matter that has caused me considerable concern. In section 535 of the bill the committee apparently has attempted to slow down the defense contractors in their advertising of products they are making for the Defense Department. Apparently this language is completely inadequate; apparently it does not stop the defense contractors from advertising very classified matter in the workaday journals. Recently I saw an ad by some Texas company that was producing parts for our Polaris submarines, and I have seen heat exchangers advertised, things that we knew the Soviets were interested in. I am trying to find some way of stopping it. I do not know whether the gentleman has had this matter before his committee, whether it has been discussed and whether we cannot get some language in this bill to deal with that sort of thing effectively.

Mr. FORD. We tried to do that in the bill last year because of flagrant abuses in spending Defense Department procurement dollars to advertise company products.

This was getting to be a scandalous situation. When companies were puffing

their products, so to speak, they were inevitably releasing certain classified information. Our committee last year put in a tough provision which sought to cut down the drain on procurement funds. We have done all we can in this area to, first, reduce the cost to the Government and, second, to emphasize to the departments these absolutely absurd advertisements are not necessary and should not be necessary to sell their products to Uncle Sam.

Mr. WESTLAND. Admiral Rickover and I have discussed this matter a good many times to try to find some solution.

Mr. FORD. He and I have done the same.

Mr. WESTLAND. It has been an attempt. He has called the gentleman in the well at this time and the gentleman from Wisconsin [Mr. LAIRD], who, I believe, was instrumental in preparing this type of phraseology. I do not know just how far the Appropriations Committee can go in legislating in a matter of this kind, but there should be some way of stopping these contractors from giving away our secrets free to the Soviets.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. FORD. Mr. Chairman, I yield myself an additional 10 minutes.

If the gentleman tomorrow, when the RECORD is printed, will read my remarks about the inadequacy, the ineptness, the inconsistency of the Office of Security Review, he will understand my sentiments about the way this shop is being run. I have documentation of instance after instance where they have done, in my judgment, an inconsistent, inept job.

Mr. WESTLAND. It is still going on, and it is very obvious.

Mr. FORD. Mr. Chairman, on page 9 of the committee bill there is this provision:

Provided, That not more than $311,740,000 may be used for the repair and alteration of naval vessels in shipyards.

On page 23, there is the following provision:

Provided, That not more than $299,195,000 of these funds may be used for conversion of naval vessels in Navy shipyards.

These two provisions are an attempt to see to it that the private industry shipyards of the United States get a larger share of the repair, alteration, and conversion of naval vessels. It is a very frank effort to see to it that the private yards go from 25 percent of the work to 35 percent of the work with resulting savings to the Government and taxpayers. On the other hand, if this is approved, the share going to the public yards will go from 75 percent in fiscal 1962 to 65 percent in the next fiscal year.

What are the facts? Every witness who ever testified on the subject from the Department of the Navy has admitted categorically that the private yards in new construction, repair, alteration, or conversion, can do the job anywhere from 8 to 22 percent less. The private yards can save money for the Navy and the taxpayers.

Now, if you are interested in saving money, support the committee amendment, because it will mean that the Navy can get the job done cheaper by having it done in the private yards rather than the Navy yards. And, I have citation after citation by Admiral James, head of the Navy shipbuilding, and others to support the point.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. VINSON. In view of the statement the gentleman has just made, what is the justification, then, for keeping the Navy yards?

Mr. FORD. The justification is that we must have a Navy yard capability. I am not arguing for the dismantling of Navy shipyards.

These facts are interesting. In fiscal 1962 the Navy yards are operating at 90 percent of capacity with about 100,000 employees. The private yards throughout the country are operating at 50 percent of capacity. They have only about 50,000 employees working on Navy work.

Now, let us take a look at the facts, comparing 1962 with fiscal 1963. In fiscal 1962, this year, the total amount of work for repair, alteration, and conversion is $784 million, of which the Navy yards will get $586 million and the private yards $197 million under repair and alteration. If this bill goes into effect, we will have a change in the allocation from 75 percent to 65 percent for the Navy yards and 25 percent to 35 percent for the private yards. Overall, for conversion, repair, and alteration, comparing fiscal 1962 with fiscal 1963, the Navy yards will end up with $24 million more work in fiscal 1962 than in fiscal 1963. The total will go from $586 to $610 million.

It is also true that the private yards will end up with an increase, but there will be no less dollar amount of money made available to the public yards in fiscal 1963 even with this limitation; in fact, there will be $24 million more.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Virginia.

Mr. HARDY. I am not sure whether I took the figures down correctly, but I believe the gentleman said that in the private yards there would be a saving of between 8 and 22 percent for repair, conversion, and new construction.

Mr. FORD. That is what Admiral James said. I am only repeating what he said.

Mr. HARDY. I have heard Admiral James give a lot of figures, but I never heard him come up with anything like that.

Mr. FORD. Let me quote what he said. On page 271 of part 5 of the hearings for fiscal 1962 I asked this question: Does this—meaning the estimated saving of 8 to 15 percent for work done in the private yards—apply to repair as well as original construction? Admiral James answered: "Indeed, yes, sir."

Mr. HARDY. I am trying, if the gentleman will yield further, to understand, if I can, whether the Admiral made a distinction between the savings which he contends would occur with respect to new construction and the savings which would occur with respect to repair and maintenance.

Mr. FORD. I am just quoting his statement to that effect.

Mr. HARDY. Well, it was not very clear to me. Maybe it was clear to the gentleman.

Mr. FORD. Well, I would suggest, then, that you look at page 275, part 5, of our hearings last year, and it will be very clear.

Mr. HARDY. I shall do that, but in the meantime will the gentleman tell us whether in Admiral James' testimony he indicated that a reduction in these figures or an adjustment in these figures had been made for such matters as additional expense for military supervision, for training ships crews or for other items which would not apply at private yards.

Mr. FORD. I will say this: Admiral James is not for this amendment.

Mr. HARDY. I wonder if the gentleman could be sure of that?

Mr. FORD. Let us put it this way: I understand the Department of the Navy is not for it, and I assume he and they feel alike.

Mr. HARDY. I wish I could be sure of that. I have always had a feeling myself that Admiral James is partial to private yards and would like to expand the contract work.

Mr. FORD. I do not think that he does feel that way. In fact, it is my opinion, from hearing him testify, that he has a strong feeling that we ought to have fully adequate Navy yards.

Mr. HARDY. I would prefer——

Mr. FORD. But, I would say this: I believe he and the committee disagree on how much work ought to go to the Navy yards, and how much should go to the private yards. I do not think the Navy yards should be maintained at 90 percent of capacity, which is the case. I think the private yards ought to be operated at greater than 50 percent of capacity.

Mr. HARDY. Mr. Chairman, will the gentleman yield further?

Mr. FORD. I would be very glad to yield further.

Mr. HARDY. Again, I do not know where these figures came from, but when you talk of 90 percent of capacity I think you should have some base period, or some basis on which to make that comparison. For instance, the Navy yard in my district has an employment level now of only about one-fifth of what it had in World War II. I would hardly say it is 90 percent capacity, or even 60 percent or 65 percent of capacity.

Mr. FORD. The gentleman would not want the Navy yard at Norfolk to be working at 90 percent of World War II capacity, would he?

Mr. HARDY. Not at all. I do not mean to leave that impression.

Mr. FORD. That was the impression I got.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. HARDY. Would the gentleman take a little more time in order that I

might pursue this further with the gentleman?

Mr. FORD. Mr. Chairman, I yield myself 10 additional minutes.

Mr. Chairman, I could not believe that was the impression the gentleman wanted to create.

Mr. HARDY. What I was trying to find out is what base you were using to make a determination that 90 percent of capacity is now being utilized in the naval shipyards?

Mr. FORD. All I am doing is quoting the figures given the committee. They say the Navy yards are being used at 90 percent of capacity. The private yards tell us their yards are being utilized at 50 percent of capacity. All our committee is trying to do is to give free enterprise a little more leeway and save money. The committee wants to increase the dollar amount for the private yards in this area by about $145 million. At the same time it would mean that the Navy yards would receive a $24 million increase. I do not think that is inequitable.

Mr. HARDY. Mr. Chairman, will the gentleman yield further on that point?

Mr. FORD. Surely.

Mr. HARDY. I subscribe to the proposition that our private yards should be kept healthy also. My district has a good many private yards, as well as the naval shipyard. But I do not believe that by placing them in a straitjacket with a specific limitation that we can serve the best interests of the industry or of the Government. Frankly, I wish the committee had had before it a different witness than Admiral James.

Mr. FORD. I, personally, admire Admiral James. I think he is doing a fine job. I just do not happen to agree with his plan to allocate the funds for ship repair and conversion in 1963. Our committee is trying to nudge him a little bit further along the line of helping free enterprise and saving money without hurting the Navy yards.

Mr. Chairman, I might say to my friend from Virginia [Mr. HARDY] that the 65–35 percent figure does not satisfy the private yard advocates either. They wanted 75 percent for the private yards and 25 percent for the public yards. We did not go anywhere near that figure.

Mr. HARDY. Mr. Chairman, will the gentleman yield further?

Mr. FORD. I would be glad to yield further to the gentleman from Virginia.

Mr. HARDY. Does not the gentleman agree that there are situations in which conceivably there would be times when much more than 65 percent should go into the naval yards and times when much more than the 35 percent should go into the private yards? Is not this a situation that ought to be flexible?

Mr. FORD. Within the bill as we have submitted it there is plenty of flexibility. We simply say that no more than 65 percent of the dollars can go to the Navy yards; and the dollar amounts are large; they total $939,900,000. That figure gives a lot of money for flexibility.

Mr. HARDY. The gentleman will recognize that flexibility is all on the side of the private yards and not on the side of the Navy yards?

Mr. FORD. Oh, no; the flexibility is for both.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Wisconsin.

Mr. LAIRD. The gentleman from Michigan [Mr. FORD] has made the point as far as private enterprise is concerned. I would like to make the point that I believe this amendment of the committee is in the interest of the American taxpayer. Here is where you are going to save from 15 to 25 percent in a particular area involving large sums of money. This is not what the private shipbuilding industry wanted. They wanted, in their appearance before our committee, 75 percent. The Navy has plenty of flexibility here with the amendment of the committee. And after all, this is good for just 1 year and we can take another look at it next year and see where we are at that time. But I think that the taxpayer is being protected.

Mr. FORD. Let me give you a good example. There is a request in here for a new aircraft carrier. The Navy testified that if this aircraft carrier were built at a Navy yard the cost would be $325 million. They also testified that if the aircraft carrier were built at a private shipyard, by private industry, the cost would be $280 million, a differentail of $45 million. The budget figure as recommended by the administration was $310 million. I think that is two-thirds of the difference between the private and the Navy yards' figures. Our committee thought we ought to take advantage of the lower figure and we reduced the carrier from $310 to $280 million. We hope the Navy can find a way to build the carrier for $280 million.

Mr. HARDY. Mr. Chairman, will the gentleman yield on that?

Mr. FORD. I yield.

Mr. HARDY. Mr. Chairman, I think that the gentleman has made a pretty good point for competitive bidding in the procurement of new construction. I think undoubtedly there have been evidences of savings so far as new construction contracts are concerned. But when you get into the question of actual cost, I should like to ask the gentleman if the committee had any figures on the cost of the *Kittyhawk*.

Mr. FORD. Mr. Chairman, I would like to add this comment, because I suspected that it would be brought up probably by my good friend from Georgia. He probably will say that we should not direct that x number of dollars be spent in the private yards and x number in the public yards. I think you can argue that for some years the Congress has directed how Navy funds should be spent, particularly for new construction. And if it is good policy for new construction it is good policy for repair, alteration, and conversion. Under the Vinson-Trammell Act—and the gentleman from Georgia, I am sure, can tell me the date when it became law—the Congress directed that every ship of a class should go to alternate type yards, public and private. If it is good to direct that new construction should go half to the private and half to the public, I cannot see why we should not make some arbitrary decision about repair, alteration, and construction.

It seems to me it is the same problem: shipbuilding, shipyards, Navy dollars. I think the precedent was established a long time ago that the Congress on its own make some decisions in this matter. We are now carrying out the same general policy. I do not think there is any basis for a distinction between new construction, alteration and repair, and conversion. Therefore, I strongly hope that these provisions I have indicated remain in the bill. They are fair to all concerned. I for one want it known now that I intend to oppose any deletion, and if we have a rollcall we will find out who stands up for free enterprise and who does not. Who wants to say dollars and who does not.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Massachusetts.

Mr. CONTE. I want to take this opportunity to commend the gentleman from Michigan for the very able and capable presentation he has made here in the House of Representatives today. The gentleman from Michigan, and the gentleman from Texas [Mr. MAHON], are two of the greatest authorities on the defense of this Nation. We are certainly fortunate to have men like Mr. MAHON and Mr. FORD on this important committee.

Mr. FORD. I appreciate the gentlemans' comments. We have a great number of people who are extremely competent and qualified in this area on our committee and on the House Committee on Armed Services. If both committees work together and try to resolve our differences we can come up with good programs for the defense of this country. We have in the past and I am sure we can in the future.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Iowa.

Mr. GROSS. I regret that I missed a few minutes of the gentleman's presentation this afternoon. I wonder if he commented on this situation that has grown enormously, of contracting for technical management services and consultants. I would ask the gentleman, when the present administration said it would come in with a report on this by March 1, what reason was given for not coming in with this report?

Mr. FORD. It is my understanding that such a report will be released shortly. It is long overdue.

Mr. GROSS. It certainly is.

Mr. FORD. Our committee did not have the benefit of its recommendations. As a consequence, we cut $5 million, as I recall the figure, for the contracts with Rand, the MITRE Corp., the Space Technology Laboratory, and others.

Mr. GROSS. Aerospace.

Mr. FORD. And Aerospace. We made an arbitrary cut, because we felt the matter was getting out of hand. We did the same thing last year. We made some very strong statements in the re-

port last year. We have seen very little progress in the executive branch in straightening out the situation in the past year. We have been waiting for this report. The only way we could handle the problem was to cut $5 million. Perhaps we can get some action in this way.

The CHAIRMAN. The time of the gentleman from Michigan has expired. The gentleman has consumed 1 hour.

Mr. FORD. Mr. Chairman, I ask unanimous consent that I be permitted to continue for 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CONTE. Mr. Chairman, will the gentleman yield further?

Mr. FORD. I yield.

Mr. CONTE. I want to ask the gentleman this question. I agree with the committee formula in regard to public and private shipyards, and I want to go along with him. However, I am a bit confused in regard to the language on pages 38 and 39 in regard to the aircraft carrier, where you set somewhat of a limitation of $280 million, stating that you could save $35 million by building this aircraft carrier in a private shipyard.

Mr. FORD. I can give the gentleman an answer: $280 million is available to build the aircraft carrier; no more. We said that the administration must follow the law in making the award. I believe the gentleman is familiar with what the law says. We are not inviting them to come in and ask for additional funds over the $280 million, nor are we inviting them to have a reprograming request. As a matter of fact, I want it perfectly clear without any qualification that they build that aircraft carrier for $280 million, period.

Mr. CONTE. I think that clarifies it. I think we should have some legislative history here because the report would seem to indicate to the contrary. It is my hope that this aircraft carrier will be let to a private yard—it would mean a great saving to our taxpayers.

Mr. LINDSAY. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from New York.

Mr. LINDSAY. Can the gentleman tell me something about the provision of the $150 million for the emergency fund defense contained in title IV of the bill on page 30?

Mr. FORD. It is the same provision, as I recall, that we have had heretofore. The emergency fund provides $150 million in obligation authority plus the right of transfer of another $150 million.

Mr. LINDSAY. Why is that a fixed amount each year? Does it always turn out to be $150 million worth of emergencies?

Mr. FORD. This is 1-year money, which amount over the years has been found to be adequate to meet any unforeseen emergencies.

Mr. LINDSAY. May I ask the gentleman what kind of emergencies?

Mr. FORD. Many of the requests for emergency fund expenditures are of a classified nature. If the gentleman will look at the printed hearings, we show you the ones that are unclassified, but many of the requests for this money are of a classified nature.

Mr. LINDSAY. One hundred and fifty million dollars is an awful lot of classification, in my judgment.

Mr. LAIRD. Mr. Chairman, if the gentleman will yield, and if he will look at part 5 of the hearings, he will find on page 103 a great portion of the transfers of an unclassified nature which make up almost the entire transfer for this past year.

PROFESSIONAL AND CLERICAL STAFFS OF THE COMMITTEES OF THE HOUSE

Mr. MAHON. Mr. Chairman, I yield 15 minutes to the distinguished gentleman from Missouri, chairman of the Committee on Appropriations [Mr. CANNON].

Mr. CANNON. Mr. Chairman, on page 5354 of the CONGRESSIONAL RECORD appears a table purporting to tabulate the professional and clerical staffs of the committees of the House with reference to their political affiliation.

So far as the staff of the Committee on Appropriations is concerned, it could not be more erroneous. Of the 50 members of the staff accredited to the Committee on Appropriations, I have appointed all but 6. I have not known at the time of appointment—and I do not know today—to what political party, to what church or to what fraternal organizations a single one of the 50 belongs, and may I say further, Mr. Chairman, that none of them are from my congressional district, or from my own State. I have never exercised personal political preference in the appointment of any of them.

In the distribution of the patronage of the House, a list of all appointive positions, and that includes the charwomen, custodians, elevator operators, policemen, clerks and those who officiate at the desk, all others, is compiled and the sum total—the aggregate of all their salaries—is divided by the majority membership of the House and each Member of the House has the right to appoint his allotted share, with the exception of the chairmen of committees.

Chairmen of committees are not included in this disposition of patronage because each of them appoints the staff of his respective committee. That, of course, fluctuates with the political control of the House and any changes in the chairmanship.

But the staff of the Committee on Appropriations is permanent. It is made up of careermen who serve for life. Special qualifications are required, and we have our own system of civil service. For example, former service in some budgetary capacity in a Federal department is one of the requirements. In order to know how to tear down a budget the clerk must have had experience in building up a budget. There are other requirements, of course, that are essential. In selecting the last addition to the staff something like 200 men were screened—without their knowledge, of course—before we reached the man we took.

Incidentally, no one who applies for a position is ever appointed. We do not have room for a man who is looking for a job. We can use only men who are so efficient and so well located that they have no desire for a change; and any man who makes application to us for one of these jobs thereby automatically eliminates himself from consideration.

Every now and then a Member of the House comes to us to recommend some good man from his district. He will assure us: "Why, this man can carry his ward any time." But the men we can use must assist in the distribution, as shown here today, of hundreds of millions of dollars in every department of governmental activity. They have highly responsible duties; they must be technical, scholarly, objectively minded men and, of course, men of immaculate integrity.

We cannot pay them what they are worth; we cannot pay them what they should have, but we do retain them for life as long as they will stay with us.

You do not hear much of these devoted men because it is a breach of committee procedure to praise them. It is a breach of committee procedure to praise them in the report of the subcommittee to the whole committee, or in the report of the whole committee to the House. But it is unnecessary to say that they are deeply appreciated and that they have the confidence and the affection of every subcommittee chairman.

These men—and I would like to emphasize this point because this was the matter that was under consideration at the time the table was presented in the House—these men are available to any member of the committee irrespective of whether he is a minority member or a majority member.

Any member of the subcommittee may go to any member of the staff of his subcommittee, and all the staff will work for him and with him and in cooperation with members on one side of the aisle as well as on the other side. There is no difference in their attitude toward members of the committee or subcommittee in that respect.

The staff proper consists of 21 men. The remainder of the 50 are stenographers and are equally divided—half of them are assigned to subcommittee chairmen and half to the ranking minority members of the subcommittees. That means they are appointed on the recommendation of the men they serve, and are of course personal appointees.

In other words, the suggestions and implications set forth in the CONGRESSIONAL RECORD on page 5354 when this table was inserted, do not apply in any respect to the staff of the House Committee on Appropriations.

I shall be glad now to answer any questions on the subject here on the floor or in committee at any time.

Mr. MAHON. Mr. Chairman, I yield 15 minutes to the distinguished gentleman from Georgia [Mr. VINSON], chairman of the Committee on Armed Services of the House.

Mr. VINSON. Mr. Chairman, the Appropriations Committee has inserted

two provisions in this bill which to my mind are highly objectionable.

The effect of these provisions is to require that not more than 65 percent of conversion, repair, and alteration of naval vessels can be performed in naval shipyards.

That is to say, then, that under all circumstances—at least 35 percent of the conversion, repair, and alteration of naval vessels must be done in private yards.

Now, this sounds entirely reasonable on its face. It seems to be a proper and fair distribution of work between the naval shipyards and the private shipyards.

But it is one of those pictures that is very much better on its face than it is when you dig down a little below the surface.

I do not care what percentages would be imposed by the Appropriations Committee. I do not care whether it is 65 percent as against 35 percent—or 75 percent as against 25 percent—or 10 percent as against 90 percent. The fact is that any rigid percentage figures in themselves constitute a disservice to the proper functioning of our naval ship program.

The minute that a percentage figure is imposed on the Secretary of the Navy, he loses his discretion.

And what is wrong with his loss of discretion?

Just this: When the Secretary of the Navy loses his discretion he loses his opportunity to bargain, and when he cannot bargain, there is only one person who suffers and that is the taxpayer of the United States.

Such a proposal is economically unsound, is philosophically unsound, and is plain, simple, bad business.

I am as anxious as any man on the floor of this House to see to it that our fundamental principles of private enterprise are preserved.

I am just as anxious that the Government not become a provider of subsidies for private shipyards or for private manufacturers or producers of any kind.

I want to go into the marketplace and get the best price I can. That is fundamental in our history and fundamental in our economy.

If I am limited as to what store I can trade at, then I lose all of my ability to bargain, to walk a few steps farther and get what I want a few cents cheaper.

Or in this case, a few million dollars cheaper.

There are only a limited number of adequately equipped private shipyards within the United States which are capable of performing the kind of work that we are talking about here.

If they know that they are going to get a great influx of work—more than they have ever had from the Navy before—they are going to sit back in their big chairs with the widest smiles on their faces that you ever saw. And they are just going to let the money roll in.

They do not even have to work for the money because the competitive aspect of ship conversion, repair, and alteration has been eliminated.

All right, that is the economics of the situation. And I want to repeat that I do not care what the percentages are. The basic philosophy is unsound. It imposes exactly the kind of rigidity which we have always opposed in this country in our economic dealings.

As a matter of practical fact in the area of new ship construction, private shipyards have traditionally gotten the lion's share—going as high as 100 percent.

The lowest in recent years was in 1953 when the private shipyards still got more than the naval shipyards but in that very low year, all they got was 54 percent. Normally, new construction runs better than 70 percent in private shipyards.

Of course, we are here in this bill talking about conversion, alteration, and repair to ships. But the whole picture is not clear unless we see what the private shipyards are getting today in the way of shipwork.

It does not make much difference what the work is—the dollars are just the same.

Now, a few more practical considerations.

Naval shipyards cannot be properly compared with private shipyards. They might look the same to a layman but they are very different, indeed, from a private shipyard. They have highly specific and complex functions that private shipyards do not have, do not need, and from an economic standpoint, do not want. Naval shipyards have a higher overhead than private shipyards—and for a very good reason.

They must keep a steady number of key, highly trained personnel who perform functions that are performed only in naval shipyards. These functions relate to battle damage, expensive and intricate repairs, and alterations which a private shipyard is not designed to perform.

And if we force this kind of work into private shipyards, we will pay for it. And we will pay for it by tremendously increased costs.

Special personnel will have to be hired by the private shipyard; special equipment will have to be installed in the private shipyard; special training will have to be given to shipyard personnel.

There is no one on this floor who believes that the private shipyards are going to absorb these additional costs. How will these additional costs be paid for? Higher contract prices—or in the alternative, by direct subsidies to the private shipyards.

Here is a situation that I can easily visualize. Side by side are a private shipyard and a naval shipyard. In the naval shipyard, there are today all of the special skills and special equipment. Next door is the private shipyard with none of these things.

Along comes a requirement that this conversion, repair, and alteration go into the private shipyard. What happens? We duplicate the facilities of the naval shipyard in the private shipyard.

And when I say "we," I mean you and me and every taxpayer in America.

It simply makes no sense.

Also—and this is a very important consideration—at the naval shipyards are facilities for the officers and men of the ship. Facilities to house them, feed them, and take care of them during the time the ship is being altered or repaired.

Now, private shipyards do not have these facilities. So what is the result? The officers and men must go out on the local economy and find a place to live, and a place to eat.

In addition to these considerations is the fact that naval families tend to reside in the home port area of the particular ship.

There waiting are the wives and children of the sailors. The sailors have been at sea on a long cruise. Now there is the opportunity for the family to be together again. This is part of the career—these visits with the family during the periods of vessel repair and alteration.

This is an expected thing.

But now—where do we find ourselves? The family is on the east coast and the ship is being repaired on the west coast. But even if it were only a distance of 100 miles, much the same disruption of family life would be involved.

I think we all agree that we have some obligation to our military personnel—at least the obligation not to disrupt their family life any more than is reasonably necessary. In the case of the Navy, this disruption is a necessary part of their career. Let us keep it to a reasonable minimum.

Another consideration is the fact that when repair and alteration is done in a naval shipyard, the crews are right there. The crews watch and observe and study the work that is being done on the vessel.

They—the crew—are going to have to live with these changes at sea, perhaps under very extreme circumstances. They have got to know how to make repairs at sea. They have got to be familiar with these changes that are being made in their vessel.

And I am talking about intricate, complex changes in electronic equipment, in fire-control systems, and in all sorts of complicated devices that are on our modern ships.

Everything that I am saying is based on sound facts. Economics have their place in any operation of this kind but even if the economics did dictate that more work go into private yards, there are very substantial military reasons why the current practices should be continued.

For example, there is a real danger that there will be a period while the private yards are attempting to get the capability to handle this new and different kind of work during which the military readiness of the fleet will be endangered by lack of the kind of logistic support which has always been immediately available.

Furthermore, key private yards could be paralyzed by strikes. It has happened before.

Most private yards do not have the pier and crane capacity, the depth of

water, the dry docks, and the electronic and guided missile repair capacity that are absolutely essential for modern warships.

As I said before, this capacity would have to be provided and we know it will not be provided by anyone but the U.S. Government, either through higher contract prices or from subsidies.

And of course, since only a few private yards have the basic capability—and I am talking about depth of water, piers, cranes, and things of that kind—these yards would be preselected. And what does this mean?

It means that the Navy is forced into negotiated contracts, and we all know what this means. It means one very simple thing. No competition, and no competition means higher prices.

One other inevitable effect is that about 5,000 naval shipyard personnel would lose their jobs. And this is more than the mere loss of 5,000 people. These 5,000 naval civilians still have to make a living and so they will be scattered throughout industry and when we see—and we will see—the error of our ways, these highly trained people will no longer be available.

We want to see private shipyards flourish.

We want to see private shipyards make money.

We do not want to see private shipyards flourish and make money at the expense of military readiness and at the expense of the American taxpayer.

Just let me make this point and let me read one of the provisos that is, to my mind, objectionable. It reads:

Provided, That not more than $311,740,000 may be used for the repair and alteration of naval vessels in naval shipyards.

Now the total amount of money in the budget for the repair and alteration of naval vessels, including the Military Sea Transportation Service, is $479,662,000, and the $311,740,000 represents 65 percent of that larger sum.

Now the way I read this amendment is that the Appropriations Committee is directing that 35 percent of this work go into private shipyards.

Not so long ago on the floor of the House some members of the Appropriations Committee raised very serious questions about the word "direct." They objected to it very strenuously.

Apparently it makes quite a bit of difference as to who is doing the "directing," the Armed Services Committee or the Appropriations Committee.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield.

Mr. FORD. I am sure the gentleman has checked the figures for fiscal 1963 compared with fiscal 1962 under this limitation. Assuming that he has, he will find that under this limitation the Navy yards will get $24 million more work than they did or are getting in fiscal 1962.

Mr. VINSON. Well, I am giving a 10-year average in order to show how it has been allocated and has been going on, taking into consideration all three of them—new construction, conversion and repair. Here are the figures:

[In percent]

	Naval shipyards	Private shipyards
New construction	29	71
Conversion	89	11
Alteration and repair	80	20

Mr. Chairman, this is a very important subject, and let me say this: I am not disturbed about the threat that the gentleman from Michigan made with reference to a rollcall vote so as to see who stands up for private enterprise, and who stands up for Government operations. My record, I think, demonstrates conclusively that no man in the House of Representatives has done more to bring about elimination of Government in fields in which it had no business than I. So, let us have a rollcall on this, and let us stand up for what we think is right. Let us stand up and say that we are not going to adopt today a policy of "direction," when we refused to adopt a policy of "direction" a few days ago.

Mr. Chairman, what does the committee do? The committee wrote a magnificent report. They said this:

The committee does not fully endorse the position taken by the representatives of private shipbuilding interests, who appeared before the committee, that the vast majority of the repair, alteration, and conversion work in this program be channeled into private yards. Nor does it fully agree with the Navy that the present method used to allocate work to public yards rather than private yards is proper.

Now, what do they suggest we do? Listen to this:

The entire problem of the utilization of shipyard facilities is a matter for intensive study by the Department of Defense and the Navy with a view toward working out a realistic, practical, and economical approach to the utilization of this capability in a manner commensurate with the best interest of the Government. The committee will expect the Secretary of Defense to cause such a study to be made and the results thereof made available to the Committees on Appropriations of the House of Representatives and of the Senate prior to the consideration of the fiscal year 1964 budget estimates.

Mr. Chairman, in view of that and in view of the fact that this is only a 1-year limitation, why not wait and see what the study concludes, and then base action on these conclusions? They are asking for a study. They recommend a study. Yet at the same time, and before the study is made, they write into the law what they think is the proper allocation of work with reference to the private yards, and to the public yards. Why bother to have the study? The decision has been made.

Now, I say the sensible and commonsense way to approach this matter is this: Make the study and, after the Appropriations Committee has had an opportunity to study what it discloses, to write these findings into the law. The horse and the cart are then in the proper order.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to my distinguished friend, the gentleman from Michigan [Mr. FORD].

Mr. FORD. The proposed dollar allocation even under the amendment for fiscal 1963 for repair, alteration and conversion, is greater than it is in the current year.

Mr. VINSON. That may be true.

Mr. FORD. And therefore the amendment does not do any harm whatsoever to the Navy shipyards.

Mr. VINSON. That may be true. But the principle is unsound.

The gentleman has pointed out that he was not satisfied with the situation. Therefore, the gentleman is trying to commit us to figures with which right here, in your report, the gentleman says he is not satisfied. I say that sensible men should try to act in a sensible manner, and let us have this study and let us see what it discloses. If it discloses what the committee thinks it will disclose, then write the proper language in the next appropriation bill. But not in this one.

Mr. FORD. There will be no harm done to the program in fiscal year 1963 under this limitation. What is the difficulty with putting a limitation in the bill if we can save money and help a taxpaying industry.

Mr. ANFUSO. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield.

Mr. ANFUSO. Is it not a fact that very few private yards are capable of doing repair work within a certain limit of time?

Mr. VINSON. Oh, yes.

Mr. ANFUSO. And if that is so, Mr. Chairman, would not this cause many layoffs in Government enterprise and eventually affect our national security which, to my mind, is even more important than private enterprise?

Mr. VINSON. If this amendment goes through, this is what will happen. The Secretary of the Navy was in my office this morning at 8:30 and he advised me that there would be 5,000 Navy workers laid off in the shipyards of this country. I say that this is not the sensible way to approach this matter. The sensible way to approach this is to have this study and then decide what to do when the study is completed.

Mr. FORD. Mr. Chairman, if the gentleman will yield, let me correct him, if I may. Under this limitation the dollar amount in the next fiscal year will be more, not less, than they have this year. I ask the gentleman, how can you lay off x number of people in such a situation? It just does not follow.

Mr. VINSON. The Secretary advised me this morning——

Mr. FORD. With all due deference to the Secretary, he has not looked at the figures if he makes that kind of statement.

Mr. VINSON. That is the very reason for the study. You are asking the committee to act upon this matter now. The effect of these provisions is to require that not more than 65 percent of the conversion, repair and alteration of naval

vessels be performed in naval shipyards. This sounds entirely reasonable on its face.

It seems to be proper and fair—the distribution of work between the navy shipyards and the private shipyards. But we must dig down a little under the surface. I do not care what the percentage figure is. As I said I do not care what the percentage is, 65 percent or 35 percent or 50–50 or 75 percent or 25 percent or 10 percent, the facts are that a rigid percentage figure constitutes a disservice to the proper functioning of our naval shipbuilding program. This is the point I want to make. The minute that a percentage figure is imposed on the Secretary of the Navy, he loses discretion; he has no discretion, and when you have no discretion you have no bargaining power.

Let us look at this picture. Here are 35 percent of these ships that must go into the industrial yards. The industrial yards will not even have to compete, because they know that 35 percent of the work will come to them. So what do they do? Why, as I say, under this law they know they are going to get 35 percent and do not have to compete at all. The Secretary cannot take but 65 percent for the navy yards. The private shipbuilder knows that he has 35 percent that he is going to build. He knows that he is going to get these contracts, and up goes the price on the contracts.

Mr. Chairman, as we are going to have some amendments to offer, here is another thing to think of. What about strikes? Let me tell you about that. What about strikes in the navy yards?

What about strikes in the industrial yards?

You do not have any strikes in Government yards. Recently the great Quincy Navy Yard, the Bethlehem yard, had 11 ships that were being built. A very long strike took place there. Now think about it. If you send these ships that have been damaged in action, or in any fashion, to an industrial yard and a strike occurs, it slows down your whole program.

What about the facilities when you repair the ships? In every one of these navy yards they have quarters for the crew while the job is being repaired. In an industrial yard you do not have them at all.

I say we are getting along fine, we are doing a magnificent job. We are for private enterprise, we are for the private yards, but let the Secretary continue to allocate them just as he has, and you will get competition. The industrial yards that are qualified to do this work will get their share and without any subsidy from the Government. A great many of them do not have the trained personnel for repair, alteration and conversion of naval vessels. A great many of them do not have the facilities. Therefore, somebody will have to pay for it either by raising the contract price or direct subsidy.

Mr. Chairman, I propose tomorrow to offer amendments striking these two provisos out of the bill. I welcome a rollcall vote on it, and I will be happy to discuss this matter in detail later.

Mr. FORD. Mr. Chairman, I yield 30 minutes to the gentleman from New York [Mr. OSTERTAG].

Mr. OSTERTAG. Mr. Chairman, first of all I want to take this opportunity to pay tribute to the chairman of our Subcommittee on Defense Appropriations, the gentleman from Texas [Mr. MAHON], for his understanding and devoted leadership in connection with the responsible task of determining the vast requirements of our vital Defense Establishment. It has been a privilege for me and a valued opportunity to serve as a member of this subcommittee, and with the passing of each year I am increasingly conscious of the great contribution he has made toward the development and the maintenance of a defense posture second to none in this troubled world.

Each and every member of our subcommittee, I believe, deserves a word of tribute for their untiring and unstinting efforts throughout the long period of our hearings on the defense budget, particularly for their individual and collective understanding of the vast and far-reaching problems and operations associated with such a large establishment as our Defense Department and the respective military services.

In that connection, no one deserves more credit than the gentleman from Michigan [Mr. FORD], who served as the ranking minority member of this important subcommittee. May I say that he is thorough and commands a keen grasp and knowledge of the many aspects of our military function, its management, as well as the many important programs and weapon systems. I am proud to be associated with this subcommittee, and I regard it with a high sense of satisfaction. During the 3½ months of our hearings on this nearly $48 billion Defense appropriation bill, 6 volumes or more than 3,500 pages of testimony were taken by the committee.

Generally speaking, this is a sound and adequate bill and I believe it will continue to provide for an excellent state of readiness. Although this appropriation constitutes a new high for peacetime military defense, and I want to repeat that because it is important to know that this bill constitutes a new high for peacetime military defense, however, we are, in my humble judgment, doing the right thing. It can be said that in no sense are we "rocking the boat." As our chairman has so well pointed out, "it would be an indication of weakness to reduce this appropriation by any sizable amount."

Mr. Chairman, we are all aware of the tremendous responsibility that rests on our Nation's shoulders, particularly as it relates to the security and preservation of the free world. Our overall balance of forces, our terrific striking power, our capability to retaliate and destroy any enemy who may decide to attack us constitutes the greatest deterrent to an all-out nuclear war. Let there be no mistake about it. Our strength is our security and a deterrent to war. We have in the past possessed that superior posture and there is every indication today that we shall continue to hold first place in this world struggle. Our know-how coupled with the development and possession of a weapons system second to none, mobile and deployed throughout the world, gives us a devastating striking power that any enemy must calculate with and respect. Yet, we must also be aware that it remains a challenge, and I might add a costly one. It is bound to be a heavy drain on our resources and a constant burden on our Nation. Mr. Chairman, until and unless, a meaningful arms control and disarmament agreement can be reached, we have no alternative but to maintain a military capability and might that commands the recognition and the respect of the Communist world. I believe that our continued superiority will play an important role in the realization of any arms agreement that might ultimately be entered into. As has been pointed out, this new high defense appropriation bill of nearly $48 billion is $1,344 million over that of last year. Yet, it is only fair to point out that defense spending has not increased percentagewise to the same degree as compared to the nondefense expenditures of our Federal Government.

Mr. Chairman, I would venture to predict that defense costs will level off during the foreseeable years ahead at approximately the level that is provided for in this 1963 defense appropriation bill.

As our report discloses, the defense programs for this year were presented to us in terms of military missions which they are designed to serve and the Defense Department has provided us with long-range projection of these programs for a period of the next 5 years. Both of these innovations proved helpful to your committee and we certainly commend the Defense Department for utilizing this procedure.

In summarizing this 1963 appropriation for defense, we are dividing it into four major parts and the funds are allocated in this way. For example, in the overall $48 billion defense programs, military personnel alone takes some $13 billion.

That is the overall financial support for our military personnel which requires $13 billion for all branches of the services. Operation and maintenance, which is no small item in the functioning of our Military Establishment, requires as you will note in our report, $11.5 billion.

Procurement, that is procurement of weapons, yes, our entire weapons system including missiles, aircraft, ships, tanks and many other phases of our entire military force, amounts to about $16.5 billion.

Last, but not least, is the area of research, development, test, and evaluation packaged together under one phase of our overall defense operation and that general field totals about $6.8 billion. If you divide this total $48 billion defense appropriation by services, Mr. Chairman, it shows up something like this:

The Army is allocated for the support of their program, a total $11,500 million.

The Navy receives in this 1963 defense appropriation, a total of $15 billion and the Air Force is allocated some $19 billion.

All other related defense agencies amount to a total of $2 billion.

On page 6 of our committee report, Mr. Chairman, you will find an excellent table which clearly discloses a breakdown of the major military programs and their relationship in terms of dollars to military personnel, operations, and maintenance, procurement, and research and development, tests and evaluations.

Mr. Chairman, I desire to direct a few moments to the subject of military personnel. In this particular area you will note that this budget provides for a total of 2,684,000 uniformed personnel on active duty, plus a total of 740,000 civilian employees under the overall planned program.

And I might point out that no provision is made in this bill to cover the recall of Reserve components beyond the period of July 1 of this year. Directives have already been issued for the release of all recalled reservists not later than some time in August, and a recent order calls for the release of the Navy and Air Force reservists by the end of the current fiscal year, namely, July 1.

Our committee did propose higher strength levels for the Army National Guard and the Army Reserves than that provided for in the budget as submitted by the administration. The budget requests for the Army National Guard and the Army Reserves call for levels of 367,000 for the National Guard and 275,000 for the Army Reserves.

It has been pointed out previously, but I desire to remind you, that we have included funds in this bill to maintain the National Guard at a 400,000-man level and the Reserves of the Army at a 300,000-man level.

An important and costly aspect of our military responsibility is that of retired pay. I wonder how many are aware of the fact that our annual appropriation for this obligation, retired pay on an annual basis has passed the billion-dollar mark.

It is estimated within a period of many years it will reach a $3 or $4 billion obligation annually.

Time will not permit a complete description of our overall missile and strategic strength and that of the armament program as envisioned in this appropriation bill. Suffice it to say, we have missiles of every conceivable type operational today, missiles which have a capability of operating from air-to-air, air-to-ground, and ground-to-air, intercontinental missiles, intermediate-range missiles, and otherwise, in the Army, in the Navy, in the Marine Corps, and in the Air Force. All of the services are equipped and are now maintaining a missile force.

As our report indicates, Mr. Chairman, we will have over 1,000 land-based intercontinental ballistic missiles, plus 650 Polaris missiles by 1967. Four additional Minuteman squadrons are funded in this bill. These ICBM missiles brings our total forces to 800 hardened and dispersed missiles. And, too, Mr. Chairman, we are providing for the completion of 13 Atlas squadrons and 12 Titan squadrons in this overall missile program.

In connection with our strategic retaliatory forces, it is interesting to note that we will have during the same period of time over 700 long-range bombers, such as the B–58 and B–52. These supersonic bombers are being equipped with the so-called Hound Dog and Skybolt missiles which have a long-range target capability. In other words, we have literally hundreds of supersonic bombers equipped to launch a missile from midair to a target many, many miles away.

The RS–70 program has been discussed heretofore, and I shall not deal with this particular phase of the program because I believe in the first instance our report clearly points out the situation as it exists today, as well as the reasoning behind the committee's decision to provide a considerable amount of funds in this bill over and above the original budget request.

I should like, Mr. Chairman, to take a moment, if I may, to speak about the fantastic Polaris atomic submarine and its place in our overall weapon system and its great and important part in the defense and security of this Nation.

As you all know, the Polaris atomic submarine is equipped with missiles—mobile and fast nuclear submarines capable of firing ballistic missiles from the depths of the ocean, into the atmosphere, then into outer space, to a target from 1,500 to 2,500 miles away.

I thought you might be interested to know that 35 of these atomic Polaris submarines have been funded up to now; 29 have been built or are under construction; 6 more are added by this bill, and 6 additional atomic Polaris submarines are funded insofar as long lead items are concerned.

Yes, in addition to that, we have in this bill 8 additional atomic-powered nuclear submarines, and in the overall program the Navy will have 826 ships in the active fleet, of which 383 are wartime ships.

And, an interesting and important aspect of this defense and naval operation is one which is known to us as antisubmarine warfare. We know today that the Soviet Union and the Communist world have literally hundreds of submarines of one kind or another roving the seven seas. Our committee has been increasingly concerned with the need and the importance of developing greater antisubmarine potential and capability and the development of additional means to combat such a threat and menace. We are happy to say that the Defense Department, and more particularly the Navy, has recently placed the antisubmarine warfare program under single management, with a director heading this program. We believe it is reasonable to say that real and effective progress is being made in this important field of our defense insofar as submarine warfare is concerned.

The Navy in its testimony before our committee impressed upon us that the mission of the Navy is the control of the seas. They claim that they have that control and that in our great power and strength and with all the weapons systems and the outstanding developments that have taken place, we have outstripped any potential enemy in this important field.

I might add that I was privileged within a matter of the last few days to witness, along with other Members of the Congress, naval maneuvers of the Atlantic Fleet which took place off the coast of North Carolina. The aircraft carrier operation with their bombers, with their antisubmarine warfare operations, with their missiles from planes in the air, with the amphibious operations of Marines was an impressive sight. It clearly established the capability of our Navy in dealing with these aspects of our defense. As I understand it, a certain need for aircraft carriers and other weapons systems, including ships, exists in the South Pacific and the Indian Ocean area of the world. And, I am sure as we recognize our great mobility that our operations not only at sea but our bases otherwise throughout the world, with our balanced forces, with our terrific weapons systems, weapons of great potential and a great striking capability, whether it be bombers, bombers with missiles, intercontinental ballistic missiles, and other strategic weapons represents the greatest known strength and might, all of which, is essential to peace, essential to our security, and essential to the preservation of the free world.

It seems to me, Mr. Chairman, that this Defense appropriation bill for 1963 might well be regarded as the most important measure and appropriation bill to come before the House of Representatives this year because it constitutes the life blood of our security, and I do believe that we have provided adequately and generously. I further believe we have provided essentially, and that this program will give us the potential necessary for progress and development of weapons heretofore unknown. We must be supreme in might and in know-how.

Research and development, the progressive stages of these weapons is vital to our keeping ahead and remaining ahead in this troubled world.

Mr. SIKES. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, I listened to what has been said about a steel contract which was awarded last Friday. Now, I am a strong advocate of competitive bidding. My colleagues know that. I am not expert on this present situation which has been discussed. However, I am told by the Department of the Navy that there is a requirement for a special type of steel that in this special procurement, which is for Polaris submarines, a long leadtime item, only Lukens and United States Steel are suppliers.

Now, the other companies named may have the capability to produce this steel, but they are not now suppliers. Only Lukens and United States Steel are now suppliers. Lukens did not increase its price to the Government. United States Steel did.

Mr. Chairman, this is a long leadtime item for the new-type Polaris submarines. Consequently a contract was awarded.

Mr. FORD. Mr. Chairman, would my friend, the gentleman from Florida [Mr. SIKES], yield?

Mr. SIKES. Of course.

Mr. FORD. Previous procurements of this steel have been by competitive bidding—sealed invitations for bids. It is most unusual that that system which has worked successfully should be abandoned under these circumstances.

Mr. SIKES. The $6 increase in the price of steel to the public which must come out of the taxpayers' pockets is also unusual.

Mr. FORD. If the gentleman will yield further, we did not know that would have been the case, because no bids were invited by the Navy and consequently no proposals were submitted under the regular competitive bidding situation.

Mr. SIKES. I think the situation is clear on the surface. It speaks for itself. The Government is fully justified in making such a saving. I should like to point out, too, that certain exceptions to the law on competitive bidding are permitted. One is under requirements for defense. This exception was followed when a noncompetitive contract was awarded to Lukens.

Mr. Chairman, some serious charges have been made in this matter, and a hearing has been requested. I think that a hearing is indicated. I think it will serve a useful purpose. But I do think my friend, the gentleman from Michigan, [Mr. FORD], will agree that there are two sides to the question.

Mr. Chairman, now let me get to my subject. At the outset let me say that in my opinion, we have one of the strongest teams ever assembled at the level of the Secretariat in the Department of Defense. This is reflected in the aggressive manner with which defense problems are met all along the line. Secretary McNamara has shown an amazing ability to grasp the broad and complex details of the huge establishment which he runs. When he came before this subcommittee early in the year, he brought with him for presentation to the committee, the most complete document that I have seen developed within the Department of Defense. He spent an entire week before the committee explaining the Defense Department's program, its capabilities and its requirement, and I do not recall that he at any time had to refer to a backup witness for information with which to answer committee questions. This is almost unbelieveable. As a matter of fact, he left such a complete picture in the minds of his listeners that he nearly killed the rest of the hearings. Much that followed was anticlimax.

Mr. McNamara has been able to insure a degree of coordination, cooperation, and unification that no one else has matched. He has even been able to require the Air Force to fly Navy planes and Marines to fly Army helicopters and, this indeed, is a new high in achievement. Someone has said that the individual services are so angry with the Secretary that they are forgetting to fight each other, but the sum of it is that here is a strong man who is pulling the services together and giving America the strongest defense team we have had in many years.

Now I shall not talk generally about the details of the bill and the program which it makes possible. This already has been done. I shall, instead, touch on the number of items which I think should have particular stress. In passing, I want to say that this bill, more than any we have had in a long time, provides for a buildup of general purpose strength. Last year, after long neglect of the field of conventional warfare, we gave particular stress to a buildup in that category. The present bill is one that offers a continuing reinforcement of national defense in both conventional and nuclear capability. We are building up strategic retaliatory forces with long-range bombers, Hound Dog and Skybolt missiles; Atlas, Titan, and Minuteman missiles; and Polaris submarines. At the same time, conventional capability is being built up and regular forces are being strengthened to deal with the limited war situations in which we currently are engaged and are likely to remain engaged for a long time. Airlift and sealift forces are being modernized and airlift forces in particular are being expanded. This has been another area of very serious deficit. All of this adds up to a costly program but an essential program, for it is this solid buildup in all categories of America's defense effort which is making Mr. Khrushchev easier to talk to.

Now I want to be doubly sure that the House understands what we are doing in the field of the RS–70. The Department of Defense had proposed that three airframes be built so that there would be complete testing of this new concept of a 2,000-mile-an-hour reconnaissance strike aircraft. Because of the extreme cost in building this entirely new aircraft, with new design, new engineering and new materials problems necessitating years of experimentation prior to perfection, it was felt unwise by the Department of Defense to spend the additional money necessary to have an RS–70 plus its complete operating weapons system. By the time this plane is ready for operation with the forces, there is always the possibility that it will be obsolete and of no significant military value. However, that is a risk we take with all new weapons.

The SAC bomber today, which was developed years ago, continues to be the backbone of our retaliatory capability. The various missile systems which are so prominent in the news have never been tested in war. They may or may not function according to plan. Yet it is almost certain they will function according to plan. It is also very likely that there will continue to be a need for aircraft at the time the RS–70 is perfected. Consequently, this committee believes that the development of the weapons system which will make the RS–70 functional as a military weapon should proceed simultaneously with the airframe itself. This is in keeping with the thinking of the Committee on Armed Services.

Questioning by our committee revealed that the Department of Defense anticipates it can successfully use some $52 or $53 million over and above budget estimates in the development of new improved side-looking radar and photographic equipment and new missiles which can be carried within the aircraft. Present-day equipment is inadequate for the requirements of the RS–70. Present-day missiles which are mounted externally on SAC bombers would burn up in the atmosphere at the great speed at which the RS–70 will travel. So additional funds are provided. Actually it should be said our position is something of a compromise between the original proposal of the Armed Services Committee for the full development of six RS–70 aircraft with complete weapons systems, and the present budget proposal for three airframes plus limited development on the weapons system.

Nike-Zeus is another area of question and controversy. I recall a number of years ago when America was stunned by Russia's achievement in putting the first satellite into space. In the hearings which this committee held in an effort to stimulate and speed up America's lagging satellite program, it was brought out that Wernher von Braun's work at the Redstone Arsenal would have permitted us to place a satellite in orbit a year ahead of the Russians had he and his team received the necessary backing. It was this team which, when given the go-ahead, placed a satellite in orbit some months after the Russians—the same satellite that he had proposed originally to orbit ahead of the Russians. In those hearings, Dr. von Braun said that given the go-ahead a Nike-Zeus could be developed which would be effective against intercontinental ballistic missiles. He has maintained continuously that years could be saved in the development of an anti-ICBM capability if production were initiated simultaneously with research and testing.

This program years later carries no funds for production. We are still testing the Nike-Zeus. This year's budget will implement tests which are planned in the South Pacific against missiles fired under conditions approximating those which will exist in war. These will be the most realistic tests of the Nike-Zeus ever undertaken. The Department of Defense is not convinced that the costly Nike-Zeus system will provide sufficient safeguard to the people, the homes, the defenses, and the industries of America to justify production. Current tests on Nike-Zeus are very promising and missiles have been destroyed in flight with this weapon.

But, the Department of Defense says that the controlled conditions of testing done thus far do not provide a realistic answer to the capability of Nike-Zeus to meet a salvo of missiles accompanied by decoys and chaff which will make selectivity extremely difficult. The Army is just as insistent that it can lick all of these problems and that by spending 172 or so millions now on production, we can save 4 years in achieving a realistic defense against ICBM's. We know the Russians are working hard in this field. We think they are following the same course that we are following. We do not think that they are significantly ahead of us. We have no highly prom-

ising substitute for Nike-Zeus. We may be missing the boat by failing to begin production now. Another year should tell us much more and perhaps we will not have lost time that is invalauble. But we will have lost invaluable time if the Russians achieve a realistic defense against ICBM's ahead of us. That would provide a breakthrough very costly to our security.

It is the field of the Reserve components that I want to discuss in detail. We have encountered the same proposals for cutbacks in the Reserve components that have confronted us for years. This, despite the fact that the essentiality of the Reserve components has never been more strikingly evidenced than was true in the peacetime callup last year when the Reserves were needed to strengthen the Regular Forces at the time of the Berlin crisis. The Department of Defense has been highly laudatory of the contributions of the Reserve components and of the reservists themselves during this period. I realize that criticisms have been launched against the manner in which the reservists were uitilized in some areas. But, the fact remains that they constituted bodies in uniform and added impressively to our total strength. This is the thing that our enemies see and this is much more important than shortcomings which others portray and which in any big program will always be present.

The current recommendation for a decrease in strength in Reserve components is accompanied by a proposal for a reorganization of the Reserve components. It is not for Congress to say whether there should be a reorganization or how it shall be effected. The organization of the Reserve components should always be that which provides the greatest support to the regular forces and reorganization in keeping with new concepts of warfare is justifiable. We also are assured that there will be a more realistic effort to properly equip the Reserve components. Historically, the Reserve components have had to take what is left over and some of them got little in the way of equipment. A realistic program of reorganization is fully acceptable provided it is meaningful and provided modern equipment is procured and made available at the same time.

The reduction in numbers in the Reserve components is another matter. The ink with which the proposed reorganization was written is scarcely dry on the Pentagon papers. As a matter of fact, it has been in frenzied formulation during these recent weeks. It probably will be changed to a considerable extent before it is made operational. At best, months are going to be required for its implementation. This is not a time for reorganization plus a reduction in personnel. We know that the reservists are, if world conditions permit, going to be returned within a few months to their homes. The majority of them will go back into their Reserve units. It is inappropriate to express our appreciation for a year of service by sending men back to units which no longer exist. During the time required for reorganization there should not be the further chaos of reduction in personnel. And, there is nothing to indicate that there is a lessening requirement for a strong overall defense, of which reservists are an essential part, at the time this bill is written. Next year may bring another story. But, we should cross next year's bridges when we get to them.

I think all the Members of this body—and of the other body—are committed to continuance of our Reserve programs. The cost of the Reserves is a small fraction of our defense cost; yet the Reserves are as vital to our national survival as any other element of our defense structure.

All of us will be pleased that the committee has seen fit again to include sufficient funds to preserve the present strength of the Army Reserve and the Army National Guard. This requires a relatively small addition to the budget as submitted by the Pentagon. Yet this addition is vital to the maintenance of a sound defense posture and a modern, trained, equipped Reserve Force in the Army.

We note with some misgivings that the same degree of support is not accorded the Navy and the Air Force Reserve. I consider this is because the Pentagon had not fully informed the committee, that its members did not insist upon restoring cuts which had been imposed in these programs.

Proportionately, these cutbacks were greater than those proposed for the Army Reserve and Army National Guard. Yet the cuts have been so gradual, over several years, that the impact was not fully felt until now.

In both the Naval Reserve and Air Force Reserve, there has been for several years, a continuing erosion of strength. In my opinion, this represents a danger to our country. The costs of correction would be minor and should be appropriated.

The Naval Reserve has suffered consistent erosion in the following line items:

First. The Selected Reserve—48 paid drills, 15 days active duty for training:

Mobilization requirements	155,000
Secretary of Defense and congressional authorization	135,000
Proposed 1963 budget	122,488

This program covers the Naval Surface Reserve and the Naval Air Reserve.

These are the reservists who are organized for instant mobilization to augment the fleet and to provide air and surface ASW forces. The history of the gradual erosion is as follows:

1960 budget	130,000
1961 budget	127,500
1962 budget	125,000
1963 budget (proposed)	122,488

Second. Category D training—Nondrill pay program—15 days active duty for training with pay:

Officers in program	24,000
1960 budget	10,259
1961 budget	7,645
1962 budget	2,700
1963 budget (proposed)	2,700

This program represents the only paid training—2 weeks' active duty— received by officers in the specialists component—naval research, and so forth—and young officers who are fresh from the fleet and who cannot join the Selected Reserve. Our particular concern relates to the younger officers. These officers are products of the various officer procurement programs who have had from 2 to 5 years' active duty in the fleet. All of them are competent. Some of them have been heads of departments on such complicated ships as the new fleet destroyers. If they can go to sea for 2 weeks each year, they will retain their competence. If they cannot, they will soon become useless as naval officers and will lose interest and be lost to the Navy.

In our view, this cut is shortsighted economy and is a waste of real talent trained at considerable expense.

In 1961 the Congress enacted an appropriation for Reserve personnel, Navy of $88 million. Immediately upon receipt of the appropriation, the Bureau of the Budget impounded $2 million. The Defense Department Comptroller almost equalled the speed of the Bureau of the Budget in holding back an additional $2 million. The Navy forced to curtail its plans to fit the reduced apportionments and it followed that obligations and expenditures were reduced and approximately $4 million were not used. This served to form a new and lower plateau for the 1962 appropriation which was reduced to approximately $84 million. The 1963 budget has been reduced again and the net decrease for the Naval Reserve amounts to $1,400,000.

To bring this program back to its authorized strength would cost approximately $4½ million.

The House Appropriations Committee has usually given the Navy exactly what it asked for in its Naval Reserve budget. The reductions have come about through impoundments and reduced apportionments which have gradually cut this program down to its proposed strength of 122,488 men.

It should be noted that by next August, the Navy's selected Reserve will undoubtedly have on board approximately 122,000 men. There were 130,000 on board when the recall went into effect. This will mean that those splendid reservists who responded immediately to the recall and who have performed so effectively without complaint will be denied entry into the selected Reserve program when they are released to inactive duty and if they are placed in the program, others who are now in it will have to be eliminated in order to make room for them.

The Reserve personnel budget for the Air Force Reserve has also been subjected to seemingly slight reductions in the defense appropriations bill over the past several years. These reductions while appearing to be so small as to hardly be noticeable, have partially hamstrung the Air Force Reserve program, particularly in view of the added mission inherent in the activation of Air Force Recovery Groups and Squadrons throughout the country. The legislative history shows that the fiscal year 1961 and 1962 appropriations in this area were $54 million each year. In 1962 the budget request was held at $52 million—although the Congress added $4 million

which the Department of Defense did not allocate to the Air Force for their use. This year the budget request has again been reduced to $50.1 million.

It is not necessary for me to go into detail on the appropriations required to support the Air Force in developing and proving the capability of the recovery units. It is apparent, however, that the current restrictions in the proposed Department of Defense budget—allocating $8.3 million in Reserve personnel funds and 20,000 drill pay spaces to the recovery program—which means 50 percent manning and only 24 drills, will merely smother a program which really needs a spark to show its merits. If the program is worthwhile—and we believe it and believe the Congress believes it—the full requirements for fiscal year 1963 are an additional $6.7 million. This would provide an additional 12,000 drill pay spaces and 48 drills for all personnel assigned to this mission.

These are problems which have been disregarded too long.

Mr. Chairman, I now call attention of the membership to a number of items in the report that I think deserve special consideration. One is a weakness in the modernization program of naval aircraft shown on page 185, volume 4 of the hearings.

One is the inclusion of funds to implement the work of the National Board for the Promotion of Rifle Practice on page 33 of the report. Another is the stress on competitive procurement and industry cost-sharing, both of which are carried on page 35 of the report. Still another is the mention on page 50 of the report of the increase in the funding for the Chemical Biological Warfare effort of the Nation. I would like to place emphasis not contained in this report on the significance of the contributions of this agency to the Nation's health programs. The hearings carry much more detail, and is shown beginning on page 170, volume 6 of the hearings. Members will do well to read this. There is one point in particular which should not escape our scrutiny. If we should achieve an agreement on nuclear disarmament, the Russians are certain to stress capability in other fields of warfare. They have a significant capability in the field of CBR—much greater than our corresponding defense capability.

All in all this bill does not carry a great many changes in the recommendations made by the Department of Defense, but that is because the recommendations of the Department of Defense are among the soundest and most impressive that we have noted for a long time.

It does carry a significant advancement in our defense capability—and even in this enlightened age—in the year of our Lord, 1962, a strong defense is the only sure and certain way to preserve this wonderful institution which is America.

Mr. FORD. Mr. Chairman, I yield 15 minutes to the very distinguished gentleman from Wisconsin [Mr. LAIRD].

Mr. LAIRD. Mr. Chairman, first I would like to comment on the remarks made by the gentleman from Texas and the gentleman from Michigan in presenting this bill to us today. I am sure it is the unanimous opinion of the Defense Appropriation Subcommittee that we insist that our country continue to carry forward a policy which will lead to victory, a win policy. There are certain things, however, that have come up during the past month, yes, the past year, which have led me to question just what kind of policy we are pursuing as a nation.

Yesterday I was concerned to read in the New York Times of the new State Department master strategy plan which is under study in the White House. On the front page of the New York Times of yesterday is a story with a Washington dateline which discusses for the first time in the public press a heretofore secret report which has been prepared under the direction of Mr. Walter W. Rostow, Counselor and Chairman of the Planning Council of the State Department.

This particular document which I requested some time ago through the professional staff of our Defense Appropriations Subcommittee, was refused and our staff was advised that this particular document would not be available for the deliberations of our committee because it was secret in nature. During the course of the hearings which have gone on since early January, our committee has received all secret and top secret information about the defense plans of our Nation as approved by the Joint Chiefs of Staff and the Secretary of Defense. Now the State Department has moved in to downgrade the victory policy of our Defense Department. They classify it secret and refuse to produce it. One has to go to the public press for its alarming recommendations.

At no time has any member of the committee violated security on the information which has been given to our committee. I do not feel the Rostow report should have been withheld from consideration by members of our Defense appropriations committee. There must be some reason for this action but as of this date no explanation has been offered.

The New York Times story reveals for the first time some basic State Department recommendations for changing this nations defense strategy. The changes recommended by the Rostow report should be first reviewed by the Joint Chiefs of Staff and the Defense Department before the White House adopts this new strategy.

We have to have the will and the determination, we have to lend credibility to the power which we have today if we are truly going forward with a victory policy in this cold war with international communism.

There are several sections of this bill which I should like to discuss for a few moments.

NATIONAL GUARD AND RESERVE

During the hearings on the bill we went into the call to active service of the National Guard, the 49th and 32d Divisions. We also took testimony on the Reserve Units, which were called into active service by the President late last summer and early last fall.

Mr. Chairman, on Wednesday, April 11, the President announced that the release of Army National Guard units and Army Reserve units now on active duty would commence next August.

In commenting upon the release of the reservists on active duty, he said that the release was not the result of any marked change in the international situation which continues to have many dangers and tensions. It is the result, rather, of the successful buildup of permanent instead of emergency strength. He continued by stating that the units to be released will remain available in a new and heightened state of combat readiness if a new crisis should arise requiring their further service.

Since that statement was made, I have received a great many letters from National Guardsmen and reservists training with the 32d Infantry Division of the Wisconsin National Guard. Their concern is the President's suggestion that, after having served on active duty for almost 1 year and because their unit has improved its combat potential, that division will be available for immediate recall. The implication here, as they see it, is that in the event of a future emergency cold war crisis arising shortly after their release or at some later period, these National Guardsmen and reservists would again be called upon to serve on active duty. This problem is discussed on page 233, volume 6, of our hearings. The 10 months of training which the 32d and 49th Divisions have had will be in vain if the men resign on return home.

Their concern, I am sure you will agree, is understandable. It would appear here that in defense planning a heavy burden is being placed upon a few while the vast majority of the National Guardsmen and reservists are not being readied to perform active duty service in the event of further emergency.

My concern, as I view this situation, is that the new Department of Defense Reserve policy is tending to place too great an emphasis on the readiness of too few National Guard and Reserve organizations and that by so doing we are not providing for an equal share of the defense burden, but rather we are planning to call again on those who have already just recently served.

This is related directly to the proposed new Department of Defense reorganization of the Army National Guard and the Army Reserve which is currently the subject of hearings before a subcommittee of the House Armed Services Committee.

The Defense Department proposal would be to eliminate a great many of the existing units of the Army National Guard and the Army Reserve and to place the emphasis on manpower, equipment and training of a few select divisions and supporting elements, and that these organizations would be expected to carry the burden in future emergencies.

Our committee believes it would be well to maintain these Reserve forces at their present strengths and with the present numbers of organizations. It

is necessary to provide for the proper training and equipment of all of these Reserve and Guard forces in order that they might all be available for duty in the event of all-out mobilization. We cannot depend on our Regular Forces to meet mobilization needs. I think that there is ample evidence and precedent demanding that we have in this country a wide mobilization base rather than a small highly ready group of National Guard and Reserve organizations. This is the way we must match the Soviet Union on a manpower basis in the event we are called upon for all-out mobilization.

The Regular Forces must provide the highly ready group to meet cold war crisis situations. I am sure the members of our committee feel that within our present and future programed Regular Forces we have the manpower to meet the challenge of a Cuba, a Laos, or a Vietnam. If we are willing to use our power to preserve peace and prevent aggression we do not need to rely on our National Guard or Reserve Forces to meet crisis situations but can use them properly in the event of all-out mobilization.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Ohio.

Mr. BOW. May I express my appreciation for the gentleman's statement. I know many people in the service have the same concern that the gentleman has had in reference to this Reserve situation. The gentleman has made a great contribution in this respect. Can the gentleman tell us something about the cost of calling these Reserves and Guard during this emergency?

Mr. LAIRD. The cost of calling up the Reserves and Guard was set forth in our committee record. The funding that was used to have the Reserves and National Guard called up was in section 512(c) of this bill, which gives to the Department of the Army and the Department of Defense the authority to fund this callup on a deficiency basis.

Thus far the Department of Defense has not submitted a supplemental request or deficiency request in connection with the terms of the 1962 appropriation act. We have estimates on this particular cost. In committee I thought that we should fund this particular program on a line item basis and require the Department of Defense to come up on a line item basis to fund this program completely through August. But, as of this date the Department of Defense has not come up through the Bureau of the Budget with any deficiency request under the terms of section 5–12–c of the 1962 appropriation act, and, of course, has not used the section which we are discussing today.

Mr. BOW. I thank the gentleman.

Mrs. BOLTON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Thirty-one Members are present; not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 75]

Addonizio	Garland	O'Brien, Ill.
Alger	Garmatz	O'Brien, N.Y.
Andersen, Minn.	Gavin	Patman
Andrews	Glenn	Pilcher
Ashley	Grant	Pillion
Ayres	Green, Oreg.	Powell
Baker	Griffin	Rains
Barrett	Hays	Riley
Bass, Tenn.	Hébert	Rivers, S.C.
Becker	Hoffman, Ill.	Roberts, Ala.
Boggs	Hoffman, Mich.	St. George
Boykin	Horan	Scott
Brademas	Huddleston	Scranton
Brewster	Jarman	Selden
Brooks, Tex.	Jones, Ala.	Sheppard
Cahill	Kearns	Shipley
Celler	Kee	Smith, Miss.
Chelf	Kilburn	Smith, Va.
Chiperfield	King, N.Y.	Spence
Cramer	Kitchin	Thomas
Daddario	Lankford	Thompson, La.
Daniels	Loser	Thompson, N.J.
Davis, Tenn.	McDonough	Thompson, Tex.
Diggs	Madden	Trimble
Fallon	Mason	Utt
Fascell	Miller, N.Y.	Weis
Finnegan	Moeller	Wharton
Fino	Moulder	Whitten
Friedel	Murray	Williams
Gallagher	Norblad	Wilson, Ind.
	Nygaard	Zelenko

Accordingly, the Committee rose; and the Speaker pro tempore, Mr. BOLLING, having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 11289, and finding itself without a quorum, he had directed the roll to be called, when 343 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its session.

The CHAIRMAN. The gentleman from Wisconsin [Mr. LAIRD] is recognized.

Mr. LAIRD. Mr. Chairman, the gentleman from Ohio [Mr. BOW], shortly before the quorum call, asked for the cost of the Army Reserves and National Guard called up late last summer and fall.

I want to make clear that the Department of Defense has not come forward with these figures from the Bureau of the Budget as yet, but they are expected to do this within the next week or 10 days. So these figures are not Bureau of the Budget requests, but are estimates of the Department of Defense in accordance with the understanding the Department has with our committee.

In fiscal 1962 the cost of the Reserves and National Guard called into active duty, Army personnel account, will be $213½ million, Army O. & M.; $139½ million, Army, personnel; making a total cost of $353 million in the fiscal year 1962. In fiscal 1963 to fund these two National Guard divisions and reserve units through August the cost will be $111 million, for Army personnel account; $42 million, Army O. & M. account; or a total cost for the 2 months in fiscal year 1963 of $153 million. The grand total of the 10-month cost in fiscal years 1962 and 1963 for the Army Reserve and National Guard callup is Army personnel account costs of $324.5 million, Army O. & M. account costs, $181.5 million, or a total cost for this callup of $506 million. This $506 million will fund the National Guard and Reserve units through the cutoff date in August as announced by the President last Wednesday.

Mr. Chairman, earlier this afternoon the gentleman from Michigan brought out a very important point. It had to do with the use of competitive bidding in the Department of Defense. Competitive bidding must be done on an open public basis. Costs and reliability must be emphasized.

RELIABILITY MUST BE SPOTLIGHTED

Mr. Chairman, during recent hearings before the House Appropriations Committee, much of the testimony presented emphasized efforts being directed toward procurement of defense materials and supplies at the lowest possible price.

Further, the procurement and contract administration practices and policies currently being followed by many Government agencies, including Department of Defense, Atomic Energy Commission, Treasury Department, General Accounting Office, and the recently established Defense Supply Agency, also emphasize, if not force, procurement at the lowest possible price. This year's hearings are full of statements which give emphasis to price and price alone.

Personally, I am greatly alarmed by this increasing trend which emphasizes price over performance and reliability. I am further concerned by what seems to be a diminishing comprehension of the fact that lowest price is not necessarily synonymous with lowest cost and the fact that initial cost can be substantially different from final or total cost.

To arrive at the point of my remarks, I submit that we are experiencing a trend of unrealistic price buying which in reality is penalizing the taxpayers, the U.S. Government, and American industry, millions of dollars in unnecessary cost.

In these times of rising prices, the American housewife is probably as aware as anyone of how to get true economy with her shopping dollars. Price alone is not enough to induce her to buy even a can of beans. She selects a brand she can rely on to meet her demands for quality at the price level she is willing to pay.

Can we afford to be any less prudent when purchasing the materials and weapon systems that form the basis for the deterrent strength of this country? The answer is obvious. However, there are altogether too many indications that many of our actual procurement practices ignore the obvious truth that sacrificing quality and reliability in the interest of a low price can lead to national disaster.

By now we should be aware that obtaining the performance and accuracy demanded for advanced weapon and space exploration programs is neither simple nor cheap. The Government and industry personnel associated with the recent successful entry into orbit and return of *Friendship 7* spent thousands of man-hours checking and rechecking every detail that could have any bearing on the success of the mission. In spite of this tremendous effort to insure that

all components and systems would function properly, troubles did develop in flight. Fortunately they were not serious enough to prevent the safe return of Astronaut John Glenn.

If malfunction occurred during the *Friendship 7* mission in spite of considerable special effort to insure maximum reliability, what can we expect in performance of weapons systems produced without this special attention on a production basis, especially in view of the current trend to place price ahead of quality and reliability.

Paragraph 1–302.2 of Armed Services Procurement Regulations states:

> Irrespective of whether the procurement of supplies or services from sources outside the Government is to be effected by formal advertising or by negotiation, competitive proposals (bids in the case of procurement by formal advertising, proposals in the case of procurement by negotiation) shall be solicited from all such qualified sources of supplies or services as are deemed necessary by the contracting officer to assure full and free competition as is consistent with the procurement of types of supplies and services necessary to meet the requirements of the military department concerned, and thereby to obtain for the Government the most advantageous contract price, quality and other factors considered.

Note that the paragraph states "and thereby to obtain the most advantageous contract price, quality and other factors considered."

In other words, paragraph 1–302.2 directs that the contracting officer assure that contracts are awarded to qualified sources which have the capability, price notwithstanding, to fully meet applicable requirements including delivery schedules, quality, and reliability.

Obtaining prime and subcontracts that are truly most advantageous to the Government is not a simple matter. Modern weapon and space exploration systems represent a highly complex state of art. Advancing design specifications call for closer tolerances, reduced weight, improved properties, and higher performance at all levels of the procurement and supply system. To meet these new specifications has required the development and use of new metals and materials; new fabrication, forming, and joining methods; new inspection and quality control methods and techniques; new facilities, equipment, experience, and know-how.

Developing the new capabilities required has involved expenditures in the billions. While much of the expenditure has been with Government funds, many industrial concerns have invested very substantial amounts of private funds in order to keep pace with advancing defense procurement technology. The companies who have demonstrated the willingness to develop, with private funds, the facilities, methods, and know-how required to meet demanding specifications inherent in advancing weapon and space systems, rightfully expect to provide their products at a price which will recover these investments. In fact, they must be able to do this in order to remain a defense supplier.

It would be expected that companies that have not made the investment necessary to keep pace with weapon and space technology could sell at a lower price. All too often that lower price reflects insufficient comprehension of the quality and reliability required to fully meet applicable specifications. Contracts awarded under these circumstances almost invariably result in serious losses in terms of rejections and shipping delays. Even more serious, if the deficiency in product quality and reliability remains undetected, human life and national security could be endangered. If this is economy, the price is too high.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. FORD. Mr. Chairman, I yield the gentleman from Wisconsin [Mr. LAIRD] 5 additional minutes.

DYNA-SOAR

Mr. LAIRD. Mr. Chairman, there is one amendment in this bill which increases the Dyna-Soar program. I would like to take a few minutes to discuss this program. For all our hopes that space may not become an arena for future conflict, we must clearly recognize that if man can go into space for peaceful exploration and research, he can use this same environment for military purposes. Those people in this country that are today placing all emphasis on getting to the moon at a cost of billions of dollars are making a mistake.

I am convinced that there will be future military weapon systems operating in space and that some, perhaps most, of these systems will have to include men to be most effective. To support this view I can quote passages from the speeches of our adversaries:

Maj. Gen. G. I. Pokrovskiy, director of the Zukovsky Air Military Engineering Academy, said on October 2, 1957, 2 days before the first sputnik:

> The struggle in and for outer space will have tremendous significance in the armed conflict of the near future.

Mr. Khrushchev himself said in 1959 that "after disarmament the U.S.S.R. will be prepared to reveal all its space secrets but not now because these secrets are of great military importance."

We must be prepared to counter this new threat to the security of our Nation that may be unveiled at any time it suits the purposes of the Soviets.

The concept of manned space vehicles for military purposes is not new. As early as 1942, a proposal to use rocket boosted space gliders to bombard the United States of America was seriously considered by Germany. In the early 1950's proposals were made to the Air Force to develop such a system in this country. A number of studies were then sponsored by the Air Force to establish the feasibility of extending future weapon systems capabilities to the fringes of the atmosphere and beyond. At the same time NACA—National Advisory Committee for Aeronautics—predecessor of NASA—was considering the requirements for a test vehicle to extend aeronautical research from the regime of the X–15 research airplane up to orbital velocities. In 1958 an understanding was arrived at by NACA and the Air Force to jointly develop the Dyna-Soar. With the establishment later that year of NASA, the agreement was continued by that agency and is in force today. Active development of Dyna-Soar began in May 1960, and the Air Force is funding and administering this program.

In considering the military requirements of a space weapon system, several features distinguish the differences between the need for exploration and research, and for military operations in space. Foremost among these is the requirement for the positive recovery of men and equipment from space missions. The ballistic reentry from orbit of the Mercury capsule with parachute descent and recovery by prepositioned surface units is an appropriate and relatively simple first step for flight into space. The follow-on NASA Gemini program and the Apollo lunar landing program can use and extend this principle of recovery. But from the beginning it has been recognized by the Air Force that military space operations could not be based on this concept which restricts launch direction and timing, is affected by weather conditions and depends on predeployment of recovery units.

What is needed for the routine, reliable and flexible military exploitation of space is the means for reentry from a wide spectrum of orbit inclinations with sufficient maneuverability within the atmosphere to return to the United States with minimum delay and then to proceed to a conventional landing at a chosen base, all under the precise control of the pilot. The Dyna-Soar system is being developed to obtain and demonstrate the required technology to meet this need. It is a piloted space glider in which the pilot will have the freedom to choose the time when he will initiate reentry from orbit and to control the point at which he will make a conventional landing. In achieving this goal, Dyna-Soar will demonstrate satisfactory solutions to design problems in aerodynamics, aerodynamic heating, radiation cooling, structures, materials and a host of other technical problems. In addition, this vehicle will afford the Air Force the means of investigating the role of man in military space operations.

DEVELOPMENT OF DYNA-SOAR

Prior to initiating active development of Dyna-Soar in 1960, a design competition was conducted by the Air Force. The vehicle configuration was selected after intensive evaluation of the capabilities of a broad spectrum of modified capsules, lifting bodies and various glider concepts. The glider vehicle selected is still considered the most practical approach to achieve the program objectives within the current state of the art.

When active development was begun, there was no suitable rocket booster under development which could launch a vehicle of the size of Dyna-Soar into orbit in the forecast time period. Thus a modified Titan ICBM booster was selected for a preliminary suborbital test program. The quickening pace of space developments in this country and the advent the Titan III "work horse" space

booster has made it possible to eliminate the suborbital test program and go directly to orbital flight tests.

Although the Dyna-Soar as it is now conceived is not in itself a weapon system, the basic space glider with the Titan III space booster together provide the principal building blocks which can be rapidly exploited when particular military mission needs are more clearly defined in the future.

The unique technology being developed and to be demonstrated in the Dyna-Soar program is not included in any other part of the national space program. This technology will provide the bases for the development of future practical manned military space systems. In addition, it will provide a large body of aerodynamic and space flight data of great value to the useful exploration of space and to the technological progress of the Nation.

LAIRD ADD-ON AMENDMENT

Through fiscal year 1962 the Air Force will have spent $187.7 million on the active development program, plus $21.5 million on design competition and configuration studies. For fiscal year 1963 the OSD budget for the program has been established at $115 million. However, the Air Force has provided information and testimony to our committee indicating that $42 million additional could be utilized in the coming fiscal year to conduct the program at a pace compatible with the Titan III booster development. In addition, the program would be augmented to reduce technical risks. Adding this money as provided by my amendment will make possible the first orbital flights of Dyna-Soar early in 1965 rather than late in that year. It will also permit attainment of the range of capabilities necessary to properly exploit the concept during the initial test program.

We in the Appropriations Committee have concluded that the Air Force should have the additional $42 million in fiscal year 1963. The Congress has supported Dyna-Soar since 1958 and we are convinced that this, our only manned military space program, should be conducted as vigorously as circumstances will permit. The level of funding recommended by the President in fiscal year 1962 and proposed for fiscal year 1963 does not seem to provide a development pace that recognizes the urgency of this program.

It is my hope that this House will support your committee recommendation. Four years ago this House supported a similar Polaris submarine add-on amendment proposed by me. During these past 4 years I believe this add-on has been justified. The future will show that this Dyna-Soar add-on will also be justified.

SECTION 535 ADVERTISING COSTS DEFENSE CONTRACTORS

Mr. Chairman, in closing I would like to comment on the remarks made earlier today by the gentleman from Washington [Mr. WESTLAND] about section 535 of this bill.

I would like to commend the Department of Defense for establishing its regulation concerning advertising. These regulations are set forth on page 111, volume 6, of our hearings.

There is some indication that the Department and the President recommended the continuance of section 535 this year because it thought our committee desired such inclusion. But, in the meantime, the Department has promulgated very strict advertising cost regulations which are more restrictive than the law. Since the Department has promulgated this regulation, it appears that continuance of section 535 as a part of the 1963 appropriation bill is not necessary. The Department has testified that it would continue its regulation regardless of whether or not the provision is included in the law.

The Department, of course, knows that some of us on the committee, because of the existence of the new regulation, do not now insist that section 535 be repeated in this year's appropriation bill. It may well be that the other body may concur with this view. While I was one of those who favored including the identical provision last year, its purpose has been accomplished and I do not believe that Congress ought to legislate perhaps unnecessarily. I am hopeful that the Department will reexamine its views as set forth on page 110, volume 6, of our hearings prior to Senate consideration of this matter.

Mr. Chairman, the Defense Appropriations Committee has worked long and hard on this bill. I believe that this bill merits the support of the House.

Mr. SIKES. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, as is unusual for this bill, this whole day has been a love feast. I never heard so many people say so many nice things about each other and about a $47 billion appropriation bill in the years I have been on this committee and the years I have been in this House.

If anybody told me there was not something the matter with this bill I would start looking at it from now on, after this hanky-panky debate here all day about this wonderful bill. As a matter of fact, I usually am cast in the role of a skunk in a stump about this time of the debate on an appropriation bill, and I usually have a pot full of amendments here to try to straighten out in a couple of hours of 1 day what this distinguished committee tried to do in about 4 months. I have never had much success with those amendments, but I have found out all you have to do around here is live long enough or have the people in your district have the good judgment to return you often enough and you get practically everything you want, and that is about what has happened to me in this bill.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. This is a real general. If you never saw a real general, this is a real general, my distinguished friend from Florida.

Mr. SIKES. It seems to me this might be a good time to point out that one of the reasons the gentleman from Pennsylvania has nothing to be mad about is the fact that through the years he has worked so diligently and so zealously for the improvements in our defense program which at long last are being realized that he sees here the achievements that we have long sought, that we all have wanted. I want to commend publicly the gentleman from Pennsylvania for his great contributions to a strong defense for the United States.

Mr. FLOOD. Is not that nice? I wrote that for him just 10 minutes ago. He is a real fast study.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. This is the man I have had more trouble with than anybody else. He is my chairman.

Mr. MAHON. I cannot resist saying that I know of no man in this House who has more diligently pursued the cause of the defense of the United States in the Army, Navy, Air Force, and Marines than the gentleman from Pennsylvania [Mr. FLOOD]. I know of no man on the committee who has been more regular and more loyal in his attendance upon the sessions of the subcommittee, and they have been many and long.

Mr. FLOOD. What I had better do, Mr. Chairman, is quit while I am ahead.

Talking about generals, you know, I am one of these—it is one word, so it is perfectly parliamentary—"damyankees" from the coal mines of Pennsylvania. When you sit back in the cloakroom with these boys from the South for 16 years, you learn to call it the War Between the States. I used the words "Civil War" when I came down here in 1944. But it is the War Between the States. In talking about these generals, whom I have the most of my trouble with, they tell the story about Pvt. Johnny Allen. Johnny Allen came back after the war. He decided he was going to run for Congress. The fellow he was going to run against was a general. The general got up before this big crowd and he said, "My friends, I was up there in that bivouac during that rain, with my troops up on that hill, and I stuck under that tree while we were facing all those Yankees. I was there all that night with my men. I think you ought to recognize that and appreciate that and vote for me." Pvt. Johnny Allen got up and said, "Yes, he was there. Well, I will tell you my friends, the general was under that tree because I was standing there guarding him all night. So I want all of you fellows who are generals to vote for the general and all of you fellows who are not generals to vote for me." So that is how Johnny came here.

Well, there are a couple of things I want to talk about. However, the gentleman from Florida [Mr. SIKES] is quite right.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the greatest advocate that the Tennessee Valley Authority ever had.

Mr. EVINS. How are we to address the gentleman from Pennsylvania, as general or private?

Mr. FLOOD. I have been called so many things that I would rather not get

into that right now. I will see you out in the hall.

Mr. Chairman, the fact remains, I have been one of the very few advocates for many years, in what has been called a limited war, I have never believed all during the years since the last war that there was going to be this atomic chaos. I do not believe it now. I never believed it. I sat on this committee all these years when it was building up and I voted for these things because we must have them. If the other fellow has them, we have got to have more and bigger and better. But, I have never been satisfied that, God forbid when the shooting goes on, and according to the Good Book, there will be wars and rumors of war until the end of time—and it is going on now and people are getting killed and shot all over this world every hour, every day in some kind of little war—you know that. Right now Americans are getting shot and killed in another little war—I know that. And that is the war and that is the kind of fighting that we have not been prepared for and we have not been trained for and we were *not* equipped for and we are just now getting ready for. Do not forget that. I sat here for 8 years—the last 8 years—and I lost a division a year for 8 years. Every year I lost a division in this Army. What were they going to do? They were going to make bellhops or policemen out of my Marines. I tried here, and I introduced amendments—and I am glad that you are smiling because you all voted against them—I tried here last year and the year before—for 8 years to increase the Army to a million men. I wanted to raise it to 16 to 18 to 20 divisions—and you voted against it. I gave you plenty of chance. There is nothing nicer than being a Monday morning quarterback. I love to come down here today in this year of our Lord 1962 and say, "Didn't I tell you? Didn't I tell you every year for 6 years you had to have an army of a million men? Did I not tell you you had to train for guerrilla warfare and train guerrilla warfare fighters? Did I not tell you you had to train guerrillas?" For 10 years I pleaded with you for that. Now we are training guerrilla fighters. We have 5,000 training now—it should be 10,000. The only thing the matter with this good bill is that you did not listen to me. So after 6 or 8 years, you are doing it—you are doing all right—you are doing it now. I am proud of you. I am proud of you; there is not going to be a vote against this bill. I cannot imagine anybody voting against this bill. I would bet you there will not be one who will vote against it.

These things are going on in the Army. Now we are going to have that kind of an Army. I pleaded with you to leave your hands off the Marines.

Good Lord. No matter what you do, do not touch the Marine Corps. If there is trouble any place you send the Marines. You paid no attention to them; the administration paid no attention to them. You cut back the Marines, but now you are bringing them back to 190,000. Let me tell you one thing. Last Saturday I thought I was going to get 200,000 marines and somewhere between here and the foot of the hill I lost 10,000 marines in about a half an hour. I have not been able to find out exactly what happened. Anyway we will have 190,000 marines, three full divisions, three full air wings, and a cadre for a fourth division, and a cadre for a fourth air wing. I say to you, Mr. Chairman, in this bill there should be four full Marine divisions and four full air wings. That is one thing that is the matter with this bill.

Mr. MINSHALL. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Ohio, because of what he has down there in Cleveland. If he does not keep on giving us hardware we cannot go very far.

Mr. MINSHALL. I would like to say to the Members present that there is no man on the committee, on either side, who is better informed on military affairs than is the distinguished gentleman from Pennsylvania, DAN FLOOD. I should also like to remind him, since he is extolling himself, that he has forgotten one of his greatest accomplishments in which I assisted in a little way.

Mr. FLOOD. What is that?

Mr. MINSHALL. That is the Bomarc.

Mr. FLOOD. You mean that old dog Bomarc they have spent $2 billion on and sent to the Canadians supposed to help us in their defense? I do not think it could knock the starlings off the Department of Justice building down here, yet it has cost us $2 billion. It is as phony as a $3 bill, but there it is. We cannot do much about it.

Strac. For years I have been telling you that you should have four divisions in the Strategic Air Corps for the continental United States, and now you are going to have them.

You had one medium tank battalion down at Fort Bragg training on medium tanks. This was 2 or 3 years ago. Then we found out that the tanks they were training with were not battle-fit tanks. When called to their attention they said, "Well, train them anyway. We will send the trainees overseas and they will be equipped with good tanks." When we got the tanks overseas it was found they were in worse shape than the training tanks at Fort Bragg.

How many times did you oldtimers around here hear me almost get down on my knees and plead with you to give us an airlift, to give us an airlift that could move large numbers of men? But you did not have an airlift up until this last year, you could not airlift a division of the U.S. Army to South Philadelphia inside of 30 days, and there is no question about that, no question about it. You could not go much further, yet we have $500 million—thank goodness for that—in this bill for an airlift, for C–143's which are coming off the line. The C–141's will not be coming off for a year, but we are starting, but we have had to wait 6, 8, or 10 years for this.

Examine the list of officials that come before us, secretaries and assistant secretaries and assistants to the assistant secretaries, admirals, and generals. Try to pin the blame on somebody for something that goes wrong, and if he is an admiral he is a way out to sea somewhere; if he is a general he has gone back to civilian life; and if he is a civilian nobody knows where he is, he is back somewhere making money.

Now about this aircraft carrier. The gentleman from Michigan mentioned the aircraft carrier; did you not?

Mr. FORD. I mentioned that we were going to save $30 million.

Mr. FLOOD. The gentleman is getting things mixed up with the Lukens Steel Co. I know what he is trying to do and what I am trying to do. But that is something else. Nobody talked about the carrier. The carrier in the bill is a conventional carrier. I voted for it. I voted for a conventional carrier because it was a conventional carrier or nothing, and in limited war you must have carrier support. You cannot run a limited war without that. But I think the conventional carrier is a mistake, I think it is wrong.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MAHON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. FLOOD. Mr. Chairman, a conventional carrier at this time will take 4 years to build, a long leadtime. I believe by the time a conventional carrier will be operational it will not be obsolete, it will be obsolescent. If you are going to have a carrier, why do you not match the *Enterprise* we were down with last week. We should have a brandnew, modern nuclear carrier, the biggest and best in the world. Why not? Do not tell me you cannot afford it. I am sick and tired of that. There should be no part of that kind of talk in a defense budget. You can afford it. You can afford it and like it. Make no mistake about that. You should have a nuclear carrier. But I have not got the votes. I need not try. I am not going to offer an amendment, it would not get to first base. The varsity here is against me, and I know better. But you should have a nuclear carrier. In 4 years that is what you want to have, not a conventional carrier, though I am for the conventional carrier. But that is not the way it should be.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from New York.

Mr. SANTANGELO. I would like an answer to this question from the gentleman from Pennsylvania. Every year for the past 3 years we see just before the appropriation bill comes out of the committee a newspaper report showing that the Nike-Zeus missiles are becoming operational, conventional, and are becoming successful.

Can the gentleman tell us in his own inimitable way whether all of these releases are propaganda or whether there is any merit to it?

Mr. FLOOD. The gentleman is asking me, and I will tell him for what it is worth. The last administration was wrong, this administration is more wrong on the Nike-Zeus. I have been trying to offer amendments, and the gentleman will remember that. We have been working on the Nike-Zeus for years. The only defense of missile against missile on the face of this earth

is the one we have being run by the Army, the American product, the anti-missile missile Nike-Zeus. There is no other. The Russians do not have one, we do not have one, but we are further advanced than they are.

They told me 5 years ago, you will never be able to hit one bullet with another bullet. I told McNamara, "I bet you a hat you are wrong." I won the hat, but he bought it in London. We can hit one missile with another missile. They have done it, and they are going to do it in December. The only problem is, they say, they do not want to go ahead any further than they are with the research and development money because of radar. There are three sets of radars, the target radar, the extension radar, and the radar to select, the discrimination radar. They say the Russians will throw a missile with garbage and debris, and when the head breaks you will not know whether there is one or five warheads. But I know this. One of them or two of them will have a warhead. A warhead is a warhead; it is not something else. It is not garbage or debris. And, I believe there will be a breakthrough by our long-haired, fabulous scientists who will find that out. They broke through with the solid propellent for the Polaris overnight. I said for 3 years that our scientists will do the same thing with the selection radar on the Nike-Zeus. I say that the Eisenhower administration made a mistake for the last 3 years when they did not put money in this bill to study the long-range production of hardware so that when we did break through we could get into production. And, the Kennedy people are just as wrong, because they have refused to do it. And, before you get home tonight, the scientists are liable to break through with this. The first nation that does break through with the intercontinental ballistic missile has the other nation absolutely at its mercy. Yes, naked you are; make no mistake about this. That is the story all along.

Mr. SANTANGELO. I thank the gentleman.

Mr. FLOOD. There is money in here for the R. & D.; enough money. They do not need more money for the R. & D. That is not what I am talking about. They do not have enough money in here for long lead time production items.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. FORD. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Chairman, when the Defense appropriation bill, H.R. 11289, is before the Committee of the Whole for amendment tomorrow, I intend to offer three amendments and will ask unanimous consent that they be considered en bloc:

On page 28, line 2, strike out "$1,317,000,000" and insert in lieu thereof "$1,318,000,000."

On page 28, line 16, strike out $3,480,900,000" and insert in lieu thereof "$3,483,900,000."

On page 49, strike out lines 18 through 22.

The effect of these amendments is twofold—to restore research and development funds to the bill which were deleted by the committee in the amount of $4 million, and to strike out section 540 which limits indirect costs of research grants to 15 percent of direct costs.

Mr. Chairman, this is a novel provision in a defense appropriation act and is especially disturbing because the committee in its report on page 48 announced that "this year the committee is applying this same limitation to other departments of the Government."

It should be noted first that the limitation of 15 percent for indirect costs applies only to research grants, not to research contracts, but the effect of the amendment will be far reaching and, in my opinion, will have a disastrous effect upon institutions of higher learning in the country, their scientific research programs, and upon the research and development activities of the Federal Government.

I propose to show that the limitation is hastily adopted, that it has not received sufficient study, that it bristles with problems in its administration, that it will not save money, and that it is a rigid and basically unsound approach to a complicated and serious problem.

The only testimony concerning this provision occurs in part 5 of the committee hearings on pages 80–85, 162–163, 222–223, and 361. The evidence contained in the hearings is overwhelming in opposition to the imposition of a limitation. Perhaps the best statement is that made by Dr. Harold Brown, Director of Defense Research and Engineering, pages 81-85 of the hearings. The following passages from Dr. Brown's statement set forth the difficulty of separation of direct from indirect costs, showing the basic fallacy of the rigid percentage limitation technique:

The concept of a mandatory flat overhead rate limitation overlooks the fundamental cost-accounting principle that there is no real difference between direct and indirect costs, except for the manner in which they are allocated to the work benefited by their incurrence. The costs of the material directly used in the work and the salaries of people directly employed on the work can be clearly and readily identified and classified as direct costs. Other materials and labor costs serving some general support purpose are not readily identifiable directly with the work but can be reasonably prorated as indirect costs. Both types of costs (direct and indirect) are made up of such elements as salaries and wages, materials, supplies, and services. A dollar of indirect cost is exactly equal to a dollar of direct cost in terms of outlay. The man who fires the furnace that heats the laboratory in which the researcher performs his work contributes in his way to the research just as surely as does the researcher himself.

There are no hard and fast rules governing the division of total costs between those to be treated as direct costs and those to be treated as indirect costs. Consequently, the total costs of a contractor with a high overhead rate could very well be less than the total costs of a contractor with a low overhead rate. In the absence of an artificial stimulus such as a mandatory, fixed overhead rate limitation, the logical and economical division of total costs is a matter dependent on such factors as how the contractor is organized, the nature of his business, how he keeps his books and whether the costs were specifically incurred for a particular purpose such as the performance of a contract or grant or whether they were incurred for common or joint objectives not readily subject to treatment as direct costs of a contract or grant or other activities.

In the case of educational institutions, the Department of Defense follows the policy of measuring the costs of its grants and contracts in accordance with the cost principles issued for that purpose by the Bureau of the Budget (Circular A–21 issued for Government-wide application). These cost principles provide for fair and equitable costing under the particular circumstances prevailing at educational institutions. This includes a logical division of direct and indirect costs flowing from the fund accounting systems employed by educational institutions.

In regard to the various questions asked by your committee with respect to the imposition of a 15-percent indirect cost limitation, if such a limitation were imposed on the funds used to pay for DOD research performed by educational institutions, the institutions might be said to have three alternatives (1) absorb the additional costs, (2) make radical changes in the logical costing pattern (division between direct and indirect costs) in order to get the maximum amount of costs classified as "direct" so they can be reimbursed and increase the base to which the 15-percent rate would apply, or (3) drastically curtail the research activities vital to the defense of the Nation. Actually, in our opinion, the institutions would be forced to curtail DOD research activities because they simply could not afford to absorb the additional indirect costs or install the cost-accounting procedures necessary to change the logical costing pattern.

In view of the importance of university research to DOD research and development programs as outlined above, curtailment of the university research activity for DOD such as a flat rate would impose, would constitute a serious impediment to the research and development programs vital to the Nation's defense and security.

The committee, in fact, concedes that it has not given careful study to this limitation in the following passages in its report on page 48:

The committee has no wish to establish a limitation which will be too restrictive as there is no desire to hamper or discourage cooperation between colleges and universities with the Department of Defense. The Committee plans to study this problem in an effort to achieve more uniformity and better performance in the research programs of the Department of Defense.

The committee concedes that the Department of Defense estimates that it is paying an average of 32.6 percent in direct costs—page 49 of report—but nevertheless removed $1 million from the $11,700,000 Army research grant program. One of my amendments would restore this million-dollar cut.

The committee report, pages 54–55, estimates a reduction of indirect costs on $26,500,000 on research grants from the Air Force will be in excess of $4 million and has taken $3 million out of the bill. Another of my amendments would restore this amount to the Air Force research grant program.

Federal expenditures for research conducted in institutions of higher education are now approaching the billion dollar mark according to reports prepared by the National Science Foundation. This agency estimates that for fiscal 1960 and fiscal 1961 slightly more

than half of the $800 to $900 million for federally sponsored research went to educational institutions proper, while the remainder went to special research centers operated by educational institutions, for example, the Los Alamos Scientific Laboratory of the University of California, or the electronic defense group at the University of Michigan.

Federal research funds are made available to educational institutions by grant or by contract, but no matter how the arrangement is described both the Nation, as represented by the Federal Government, and the institution expect to benefit from it and both at the same time assume obligations in connection with the relationship established by the grant or contract.

The Government has a right to expect that it and the Nation will receive benefits from sponsored research at colleges and universities that are in some way commensurate with the expenditure of the taxpayers' money. The institution, on its part, has a right to expect that it will be adequately and equitably reimbursed for undertaking Government-sponsored research, even though there will be particular benefits to the institution in terms of advancement of knowledge and effective use of staff which the institution might otherwise be unable to secure or retain.

HOW THE GOVERNMENT DETERMINES OVERHEAD COSTS

There is, at present, no consistent policy for determining the overhead cost which is followed by all agencies of the Federal Government. Thus, a university doing research for the Atomic Energy Commission, the National Science Foundation, and the Department of Health, Education, and Welfare will find that the overhead or indirect cost of this research will be computed in three different ways depending on the agency with which the institution is dealing. A decade ago, the problem of reimbursement for overhead cost was one that concerned a relatively few institutions engaged in large-scale research projects for the military agencies. Until 1958, the principal policy document governing computation of overhead for Federal research was the so-called blue book developed in 1947 by a group representing educational institutions and the Departments of War and Navy.

Then, in 1955 the National Science Foundation recommended that all Federal agencies reimburse educational institutions to the maximum extent possible for the indirect cost of sponsored research projects. In 1958, following lengthy discussions between groups representing colleges and universities and an interagency committee representing the Federal Government, the U.S. Bureau of the Budget issued Circular A–21 setting forth the principles for determining the costs applicable to research and development under grants and contracts with educational institutions. Although some of the details of Circular A–21 were not satisfactory to the educational institutions, it was generally recognized by them that this action by the Bureau of the Budget was a major step toward a uniform Federal policy.

Even so, Circular A–21 is not applied uniformly throughout the Federal Government. The Department of Defense uses a modification of Circular A–21 in determining indirect costs of research on projects which it sponsors. Likewise, the Atomic Energy Commission uses its own adaptation of the principles of Circular A–21. The National Science Foundation, which pressed most vigorously for a uniform Federal policy on reimbursement for indirect costs of sponsored research, until recently has arbitrarily limited the payment of indirect costs to 15 percent of the direct costs of the project and has only recently raised this limit to 20 percent of the direct costs. Since 1957, the Department of Health, Education, and Welfare has been prohibited by law from paying more than 15 percent overhead on the direct cost of grants for research projects. Thus far, efforts to repeal or modify this rider to the Health, Education, and Welfare appropriation bill have been unsuccessful.

BRIDGING THE GAP BETWEEN OVERHEAD COST AND GOVERNMENT PAYMENTS

Until the Bureau of the Budget published Circular A–21 in 1958—revised in January 1961—colleges and universities that believed they were not receiving equitable treatment from the Federal Government with respect to the indirect cost of sponsored research had no single point of reference upon which to base such a claim. However, a recent—but as yet unpublished—study by the National Science Foundation leaves no doubt that for lack of a uniform Federal policy on payment of the indirect costs of sponsored research in colleges and universities, those institutions which undertake such projects are forced to pay almost $1 of indirect cost for each $1 of reimbursement for indirect cost received from the Federal Government. Note that the title of the study is "Interim Report on Indirect Costs of Federally Sponsored Research and Development in Colleges and Universities, Fiscal Year 1960," prepared by NSF for the Federal Council for Science and Technology.

The NSF study, which is the most comprehensive and thorough yet made, examined research cost data from 89 large universities and colleges with total expenditures for federally sponsored research of $357,982,000 in fiscal year 1960. Comparable data were obtained from 61 small colleges and universities with total research expenditures of $11,358,000 in fiscal 1960. To these cost data the National Science Foundation applied the Circular A–21 method of computing overhead costs. The results of this analysis were as follows:

First. The national average indirect cost rate of federally sponsored research and development of large colleges and universities, in 1959–60, was 28 percent of direct costs. In computing this rate, employee benefits were considered part of direct costs, and the principles of the Bureau of the Budget Circular A–21 were used. Each large college and university has a rate established under Circular A–21 by a cognizant Federal agency.

Second. The national average indirect cost rate of federally sponsored research and development of small colleges and universities, in 1959–60, was 31 percent of direct costs. These small colleges and universities do not have an established rate and, therefore, the abbreviated principles of Circular A–21 were used by the institutions in computing this rate. Consequently, there are some technical accounting differences in the methods used for small versus large institutions.

Third. In fiscal year 1962, using the principles of Circular A–21 as a base—28 percent of direct costs—applied to the Federal grant programs of all institutions, it is estimated that the total indirect costs of federally sponsored research and development grants will be $83 million. Since current practices of Federal agencies call for an outlay of $47 million to cover the indirect costs of grant programs for research and development, it is estimated that an additional $36 million would have to be made available either by the colleges and universities or the Federal Government in order to cover the total indirect costs of federally sponsored research and development.

The impact of this compelled cost sharing varies from institution to institution. The National Science Foundation study applied an average indirect cost rate of 28 percent and found a $36 million difference between indirect costs and Federal reimbursement for these costs. But 38.2 percent of the large institutions reporting to the National Science Foundation had overhead costs in excess of 30 percent, and 72.2 percent of the small institutions had overhead costs in excess of 30 percent. Again, it should be emphasized that this computation of overhead costs was made by the National Science Foundation, not by the institutions themselves.

The effect of the 15-percent indirect cost limitation is that a burden of $4 million is now being transferred from the Federal Government to hard-pressed universities and colleges and will result in their acquiring this money from their State legislatures or elsewhere or else being forced to refuse to engage in research thought to be desirable by the Defense Department.

The limitation of a percentage of indirect costs to direct costs presupposes a universal system of accounting among the universities and colleges. There is no such uniformity, however. A large university, for example, may make a direct charge to a department having a research grant of such items as maintenance, use of equipment, and so forth, while another institution, possibly a smaller one, would simply lump such contributions into the total overhead cost of operating the university.

In effect this percentage limitation of indirect costs is meaningful only if the Federal Government is to establish a universal accounting system for all institutions of higher learning and thus assert a Federal right to interfere and control the business management of these institutions of higher learning. This is a dangerous precedent because it asserts the predominance of the bureaucratic mind over scientific research—the supremacy of Parkinson's law over a field

which by its very nature demands imagination and freedom of thought if worthwhile new discoveries are to be made for the benefit of mankind.

Mr. Chairman, Federal funds devoted to research and development have been soaring, and the trend will be for further increases rather than reductions. It is estimated that some $15 billion of Federal funds through one agency or another are now being expended annually on scientific research and development programs, either by the agencies themselves or through research contracts and grants.

The matter of indirect costs is only one of many problems that arise from these huge and growing expenditures. Universities have become concerned that huge proportions of their total budget are derived from Federal funds.

The University of Michigan is located in Ann Arbor, Mich., my hometown, and their officials estimate that approximately 22 percent of the total budget of the University of Michigan in 1959 was represented by federally financed research.

The California Institute of Technology had at the same time some $50 million in Government research representing 83.6 percent of its total expenditures.

Harvard University became concerned about the impact of Federal research expenditures on the program of the university and in September 1961 issued a report entitled "Harvard and the Federal Government." After reciting that at least 80 percent of the institutions of higher education in the United States now receive Federal funds, the report recited, on page 3, that in 1959 and 1960 Federal funds supplied one-fourth of the budget of the university as a whole and supplied 55 percent of the budget of the School of Public Health and 57 percent of the budget of the medical school. The report also noted on page 13:

> One of the most serious of questions in Federal programs is that of unreimbursed indirect costs on grants. Most spectacular in 1959–60 were the unreimbursed costs arising from research grants, which made satisfactory allowance for direct, but not for indirect costs. While spending $11,860,836 of Federal funds for project research, the university incurred $687,500 in unreimbursed indirect costs.

In fiscal year 1961 the University of Michigan had a total of $17.3 million of federally financed research contracts and grants of direct costs of which $10.3 million were from the Department of Defense and $7 million were nondefense.

In the same fiscal year, according to Federal Government auditors—Signal Corps—the university had a total of indirect costs for the administration of these Federal contracts and grants of $5.9 million, of which $4.4 million were reimbursed by the Federal Government, leaving approximately $1.5 million of indirect costs for which the University of Michigan was not reimbursed.

From the foregoing it is clear that Federal expenditures in scientific research are having a tremendous impact upon our institutions of higher learning. The fact that the Federal Government refuses to pay the entire cost of the program but requires the universities to find substantial amounts of funds elsewhere either from their State legislatures, their nonearmarked charitable contributions or students' tuition fees to assist in financing research activities for the benefit of the Federal Government is an extremely serious problem when both State supported and private institutions of higher learning are having difficulty in obtaining sufficient funds to operate their educational and research programs in which the Federal Government does not have a direct interest.

This financial problem of institutions of higher learning has clearly been recognized by the Federal Government and by the Congress. Indeed, there is now pending in the Rules Committee of the House a bill to provide substantial assistance to institutions of higher learning for the construction of facilities. Another bill is shortly to be before us which will provide assistance for the construction of facilities for medical schools.

Is it not strange that at a time when the Federal Government is seeking to assist institutions of higher learning by such measures on the one hand we here in the House adopt a harsh limitation on research costs, making the financial plight of institutions of higher learning even more difficult than it is today?

Mr. Chairman, in addition to the matter of costs I think many people in scientific circles are beginning to become concerned about the impact of Federal expenditures on the educational and scientific programs of institutions of higher learning—to what extent are they being distorted or shaped by the large sums of Federal money they receive. The scientists may well believe that an area of research holds great promise for new discoveries but is an area of research of no direct or immediate interest to the Federal Government. Scientific manpower and talent is limited. It tends to be devoted to the areas where the large sums of Federal money are directed and diverted away from other areas of research which in the opinion of the scientific investigator might well have far greater priority.

The philosophy of the limitation on indirect costs also means greater Federal bureaucratic interference with the management of institutions of higher learning. The percentage limitation on indirect costs is meaningful only when all institutions of higher learning use the same accounting system at least insofar as they segregate costs as between direct and indirect. The lack of uniformity of such accounting systems may proceed from many factors outside the control of the management of the institutions of higher learning such as requirements of budget presentation to State legislatures or business methods requirements and accounting practices designed by their governing bodies to meet the particular characteristics of the institution.

The imposition of a uniform pattern of accounting leading to uniform business management directed and controlled by the Federal Government might well impose a stultifying influence of Federal bureaucratic procedures in an area where results can be expected only from the unfettered freedom of an inquiring mind and a willingness to pursue unmarked paths of exploration into the unknown outer reaches of scientific knowledge.

Mr. Chairman, for this reason I have believed that a comprehensive and penetrating inquiry needs to be made into the whole subject of research and development financed in whole or in part with Federal funds. I believe this problem is of such magnitude and difficulty that it is beyond the capacity of any congressional committee or its staff. I believe it is also beyond the capacities of committees of the executive branch, partially because any study conducted by the executive branch would inherently be bound to existing practices and philosophies which have grown up much like Topsy without any plan. The detachment and capacity to attack this problem successfully would be expected only in a statutory commission on the order of the Hoover Commission. In the past such study commissions have been generously supported by congressional appropriations and have been able to acquiring an able and sizable staff permitting thorough examination and analysis of the problem.

For that reason, Mr. Chairman, I have today introduced a bill to establish a Commission on Government Operations in Research and Development, a copy of which I incorporate at this point in my remarks:

A bill to establish a Commission on Government Operations in Research and Development

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS AND DECLARATION OF PURPOSE

SECTION 1. The Congress finds that research and development activities conducted by or under the sponsorship of the various agencies of the Federal Government, including the Department of Health, Education, and Welfare, the National Science Foundation, the Department of Defense, the Department of Agriculture, the Department of the Interior, the Veterans' Administration, the National Aeronautics and Space Administration, the Atomic Energy Commission, and other Federal agencies have a major impact upon the conduct of scientific research in the United States, and vitally affect the overall pattern and direction of future Federal programs and private activities. It is the purpose of this Act to provide for a thorough study of the operations and activities of such programs, for the purpose of assisting in the elimination of overlapping and duplication of effort, evaluating the effectiveness of such programs and their efficiency and economy, with particular reference to indirect costs involved therein, and determining the extent to which such programs and activities require administrative or organizational reforms. It is further the purpose of this Act to provide for the making of recommendations to the President and to the Congress of proposals for necessary improvements in the operation of programs and activities in the field of research and development.

ESTABLISHMENT OF COMMISSION; DUTIES

SEC. 2. (a) COMMISSION ESTABLISHED.—There is hereby established a bipartisan commission to be known as the "Commission on Government Operations in Research and Development" (in this Act referred to as the "Commission").

(b) DUTIES OF COMMISSION.—In conformity with the findings and furtherance of the

purpose declared in section 1, the Commission shall conduct a full and complete investigation and study of all operations of the Federal Government in the field of research and development, whether conducted by Federal agencies directly or through contract, grants-in-aid, or otherwise. The Commission shall report the results of its investigation and study to the President and to the Congress, and shall make such recommendations with respect to the operations of the Federal Government in the field of research and development as it may deem desirable.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) NUMBER AND APPOINTMENT.—The Commission shall be composed of fourteen members as follows:

(1) Ten appointed by the President of the United States, four from the executive branch of the Government and six from private life;

(2) Two Members of the Senate appointed by the Vice President; and

(3) Two Members of the House of Representatives appointed by the Speaker.

(b) POLITICAL AFFILIATION.—Of each class of members, not more than one-half shall be from each of the two major political parties.

(c) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a Chairman and a Vice Chairman from among its members.

QUORUM

SEC. 5. Eight members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6. (a) MEMBERS OF CONGRESS.—Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) MEMBERS FROM THE EXECUTIVE BRANCH.—The members of the Commission who are in the executive branch of the Government shall each receive the compensation which he would receive if he were not a member of the Commission, plus such additional compensation, if any, as is necessary to make his aggregate salary $20,500; and they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) MEMBERS FROM PRIVATE LIFE.—The members from private life shall each receive $50 per diem when engaged in the performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 7. The Commission shall have the power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil service laws and the Classification Act of 1949, as amended.

CERTAIN LAWS INAPPLICABLE TO COMMISSION AND ITS STAFF

SEC. 8. The service of any person as a member of the Commission, the service of any other person with the Commission, and the employment of any person by the Commission, shall not be considered as service or employment bringing such person within the provisions of section 281, 283, or 284 of title 18 of the United States Code, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States.

EXPENSES OF THE COMMISSION

SEC. 9. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this Act.

POWERS OF THE COMMISSION

SEC. 10. (a) COMMITTEES.—The Commission may create such committees of its members with such powers and duties as may be delegated thereto.

(b) HEARINGS AND SESSIONS.—The Commission, or any committee thereof, may for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such committee may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before any committee thereof.

(c) OBTAINING OFFICIAL DATA.—The Commission, or any committee thereof, is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of this Act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, or any committee thereof, upon request made by the Chairman or Vice Chairman of the Commission or of the committee concerned.

(d) SUBPENA POWER.—The Commission, or any committee thereof, shall have power to require by subpena or otherwise the attendance of witnesses and the production of books, papers, and documents; to administer oaths; to take testimony; to have printing and binding done; and to make such expenditures as it deems advisable within the amount appropriated therefor. Subpenas shall be issued under the signature of the Chairman or Vice Chairman of the Commission or committee and shall be served by any person designated by them. The provisions of section 102 to 104, inclusive, of the Revised Statutes (2 U.S.C. 192–194), shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

EXPIRATION OF COMMISSION

SEC. 11. The Commission shall cease to exist on June 30, 1964.

Mr. FLOOD. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. O'HARA].

Mr. O'HARA of Michigan. Mr. Chairman, I wish to express the joy that I share, along with the gentleman from Pennsylvania [Mr. FLOOD], over the tremendous improvement that has been made in the level of appropriations and in the planning for our general purpose forces in the last couple of years. I do, however, wish to take one exception to the remarks of the gentleman from Pennsylvania. It could have been inferred from them that, in his efforts to increase appropriations for "general purpose forces" in past years, he stood nearly alone. I wish to say to the gentleman that I strongly supported him, although I am not so sure it did not amount to almost the same thing.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Not only on that did the gentleman support the gentleman from Pennsylvania, he did so on the Army amendment and the Air Force amendments as well. The gentleman from Michigan was one of the corporal's guard which supported me every year.

Mr. O'HARA of Michigan. I thank the gentleman for mentioning that fact and for his able leadership in this field because I could not be more pleased with the new direction of our defense policy than I am. I have felt over the past half dozen years, both before and after becoming a Member of the House of Representatives, that our greatest danger lay in the growing weakness of our conventional war forces in comparison to those of the Sino-Soviet bloc. I felt that this weakness could lead to all too many situations in which we would be faced with a decision between resort to all-out nuclear war, which all of us want to avoid, and the surrender on some objective vital to us and to the free world.

Mr. Chairman, I wish to commend the chairman of the subcommittee and its members, as well as members of the full Appropriations Committee, for the attention they have given to this problem They, the President and Secretary of Defense McNamara have taken important and long-needed steps to strengthen our military forces that will enable us to face the difficult days ahead with determination and strength.

Mr. Chairman, I yield back the balance of my time.

Mr. MAHON. Mr. Chairman, I yield such time as he may require to the gentleman from New York [Mr. SANTANGELO].

Mr. SANTANGELO. Mr. Chairman, I support H.R. 11289 making appropriations for the Department of Defense for the fiscal year ending June 30, 1963. However, I wish to bring to the attention an appropriation in this defense appropriations bill which is not only unfair but unwise. I refer to the limitation of 15 percent for indirect costs incurred by universities under Defense Department research grants.

Academic spokesmen have indicated to me that indirect costs usually far exceed 15 percent. Mr. Grayson Kirk has indicated in a telegram to me that its indirect costs approximate 23 percent. To place a limitation of 15 percent would mean that educational institutions are giving aid to the Federal Government to the extent of 8 percent. Other institutions claim that their indirect costs approximate 30 percent. Their position is even worse.

Indirect costs include laboratory space, telephones, library use, utilities and similar items.

The contributions by universities are indispensable to the Government and the security of the Nation. We should not hamstring their efforts.

I include several telegrams which I have received and I include them herein.

I also include an editorial from the New York Times which clearly explains the issues and reveals why institutions should not be burdened with indirect costs which they incur by reason of these programs to help America's defense.

NEW YORK, N.Y., *April 15, 1962.*
Representative ALFRED E. SANTANGELO,
House Office Building,
Washington, D.C.:

I understand that Defense appropriation bill reported by House Appropriation Committee puts 15-percent limit on indirect cost of research grants. Actual indirect cost is about 23 percent at Columbia. The difference would represent a subsidy from educational funds of the university. While this research is valuable to the Defense Department and to education, continued subsidy unfairly consumes university funds which should also be used for education in English, architecture, business, law and many other areas which do not receive Government grants but which are important in that educational effort.

Amount of Government grants in special subjects increases each year because universities have best resources for research but failure to provide full audited indirect cost must lead to refusal to accept some grants from Government or to sharp limitation of all other university work.

Please urge change of 15 percent to payment in full audited indirect costs on all grants to universities. Such action will preserve effective educational programs.

GRAYSON KIRK,
President, Columbia University.

ITHACA, N.Y., *April 13, 1962.*
Hon. ALFRED E. SANTANGELO,
Washington, D.C.:

If the 15-percent limitation on overhead on Defense contracts, which I understand is in the Defense Department appropriation bill to be debated on the House floor, is allowed to prevail, it would place such a financial burden upon this university as to force us to reconsider our whole participation in the Defense contract program. I will appreciate very much your careful consideration of this matter.

DEANE W. MALLOTT,
President of Cornell University.

NEW YORK, N.Y., *April 16, 1962.*
Hon. ALFRED E. SANTANGELO,
House of Representatives,
Washington, D.C.:

I understand that the appropriations for the Department of Defense for the fiscal year 1963 will be presented to the House of Representatives on Tuesday, April 17, and that it contains a limitation of 15 percent on the recoverable indirect costs of research grants.

If extension of the 15-percent limitation on indirect costs contained in the Health, Education, and Welfare appropriation bill for 1963 works a hardship on all institutions which participate in the Federal research and development program and places a significant burden on the financial resources of New York University.

I strenuously urge your assistance in having this limitation removed and I would welcome the opportunity to support your efforts.

JAMES M. HESTER,
President, New York University.

[From the New York Times, Apr. 17, 1962]

RESEARCH FOR DEFENSE

A clause in the Defense appropriations bill, which comes to the floor of the House today, would set an arbitrarily low limit on payments for indirect costs incurred by universities under Defense Department research grants. Indirect costs include laboratory space, telephones, other utilities, library use and similar items.

The limit proposed is 15 percent of the total grant. Academic spokesmen point out, however, that such costs usually far exceed that figure. Columbia University estimates its average to run to 23 percent, and other institutions put it as high as 30 percent.

The universities do, of course, reap important benefits from such grants. The scope of their operations, especially in science would be greatly reduced without them. But the universities' contributions are also indispensable to the Government and to the security of the Nation. Even if such work could be carried out by industry, which is not feasible, the cost would be far greater.

Higher education is already in serious financial straits, faced with the simultaneous challenges of vastly expanding its facilities, competing for scarce faculty talent and maintaining or even improving the quality of instruction. For the Federal Government to ask, in effect, that the universities partially finance Defense Department research with their own funds would be most unfair. To do so would threaten to interfere with the basic purposes of education, as the Defense Department grants would thus siphon off badly needed general education money. The fact that such Defense Department grants have grown from about $8 million last year to $28.8 million this year merely underlines the danger.

In simplest terms, what must be avoided is a kind of Federal aid in reverse, aid by education to the Federal Government, when education is so desperately in need for assistance. The minimum repayment by the Government should cover the full cost, responsibly audited, shouldered by the universities.

Mr. FORD. Mr. Chairman, I yield 20 minutes to the gentleman from Nebraska [Mr. WEAVER].

Mr. WEAVER. Mr. Chairman, I would like to preface these remarks by paying tribute to the able chairman of the House Subcommittee on Defense Appropriations, the distinguished gentleman from Texas [Mr. MAHON]. He guided the subcommittee through weeks and months of hearings, was completely fair at all times, and in every way tried to bring out all points of view on complicated and sometimes controversial issues.

I would also like to commend most highly the ranking minority member of the subcommittee, the able and distinguished gentleman from Michigan [Mr. FORD]. He provided, for us in the minority, the kind of skilled, competent, and calm leadership which is so necessary in dealing with problems of vital importance to the future safety of our Nation.

He avoided studiously the pitfall of carping criticism, but instead attempted always to find facts and the truth upon which to base a sound judgment.

This bill is not without controversy. I do not think any legislation written by the Congress can be completely without some overtones of controversy. Thanks to the untiring efforts of the chairman and some long, hard hours of work, this bill does contain a minimum of the extremely controversial.

We have tried to reach a compromise on some points. We have, on others, stood firm for what we believe to be the overwhelming will of the Congress—often repeated.

In one area of controversy—that surrounding the mach 3 RS–70—we have reached in this measure what I consider to be a compromise. As you will note from the report accompanying this bill, the Secretary of Defense has two teams of experts to reexamine the whole field of this new bomber and reconnaissance plane. The experts are to examine not only the technical feasibility of developing the plane, but its possible use in future missions as a sound weapons system.

Personally I feel strongly that this country should have undertaken the proper and orderly development of this plane on a production-line basis a long time ago. There are those who maintain that the concept of strategic warfare has so completely changed since 1955—when the B–70 was first proposed—that the plane will be obsolete before it is airborne. They say that warfare has changed to missiles, guided and ballistic, and that the role of the manned bomber is past.

Every expert Air Force witness before the committee countered these assertions and allegations.

Witness after witness told us firmly and vigorously that there is a definite role for the manned bomber in the future and that we dare not depend completely on our intercontinental ballistics missile system for our retaliatory force. We must have men at the controls of these planes, men who are capable of thinking for themselves and not just storing within electronic brains certain predetermined data.

However, over the years there has been a stubborn resistance to this idea on the part of the civilian Secretaries of the Pentagon. There has been an insistence on keeping the expenditures for this new bomber—new concept of aircraft—at an absolute minimum.

However, as I said, we are here working on a compromise solution. The President in his budget asked for $171 million for the continued development of the RS–70, plus nearly $52 million for radar components and other navigational equipment. The committee has added another $52.9 million for these specialized components, and $300 million has been made available to the Secretary, through the emergency fund—should his team of experts agree that the plane is essential and can perform a beneficial and vital function in protecting our Nation in the future. If need be, he can use all or any part of the emergency fund for this plane.

In another area of controversy the committee has accepted no compromise because it is our feeling that, in this, we are simply expressing the will of Congress. I refer to the decision, taken recently by the Secretary of Defense, to cut back sharply the strength of the Army National Guard and the Army Reserves.

Congress has repeatedly insisted that the guard be maintained at a strength of at least 400,000 men. We have repeatedly insisted that the Army Reserve components be maintained at a strength of 300,000 men. And yet, only a few weeks ago the Secretary issued orders cutting the guard back to 367,000 and the Reserves to 275,000.

The Pentagon in its public statement on this issue said that it was reorganizing the Guard and Reserves to make them more modern—to make them more efficient and to make them more effective in future emergencies.

This was, I feel, a smokescreen. The actual fact is, I believe, that on this matter the Department has taken an arbitrary position.

During the past few years efforts have been made again and again by the Department to lower the strength of either the Guard or the Reserves—or both. And every time that this has happened, the Subcommittee on Defense has refused to go along with the plan.

We have consistently provided the Defense Department with adequate funds to maintain the Guard and the Reserves at the 400,000 and 300,000 figures as an effective backup force for our Regular Army. Every time we have done so, the Congress has backed us to the very limit. As Members of Congress we are well aware of the role that the National Guard and the Reserves have played in the past. Those of us who live in States where floods are a frequent and common menace during the spring of the year, are eternally grateful for the effective and tremendous role played by the National Guard in defending our communities against the ravages of nature.

I have been in communities which have been fighting for their very existence against the rampant waters of a stream out of control. The whole situation has always calmed down considerably when the guard troops arrive on the scene. The citizens know that—although they may not be out of danger—they at least have a strong right arm giving them a helping hand.

This ability to lend a helping hand is not confined to flood victims by any means. In visiting with our National Guard people in Nebraska some time ago, I was told an interesting story which I would like to pass along for the benefit of my colleagues in the House.

It happened in September of 1958—some 4 years ago—but the moral of this story is as true today as it was then.

It seems that one of our strategic Army Corps units—a Strac signal battalion—was en route from Fort Meade, Md., to the west coast to take part in maneuvers. It was traveling overland and was supposed to have built-in maintenance.

By the time the convoy reached Fort Benjamin Harrison, Ind., things had begun to go wrong. Vehicles were going out of commission—losing transmissions—motors and some minor parts were breaking down.

The trail maintenance unit was stuck at Fort Harrison trying to repair the vehicles while the convoy went on across country. From Indiana through Illinois and Iowa the convoy left a string of broken-down vehicles—many of them needing only minor repairs—but without the trailer maintenance unit these repairs were impossible. The convoy was supposed to stop overnight at Camp Ashland, Nebr., an Army National Guard camp which is maintained by the State of Nebraska and is frequently used by such overland convoys.

The unit was, by this time, a sorry sight. Nearly every vehicle needed some overhauling. Some of them needed major repairs. In all, some 143 vehicles were either out of commission or on the verge of it.

The unit's commanding officer had contacted XVI Corps headquarters in Omaha and also Offutt Air Force Base. Neither could provide him with the required spare parts or the required maintenance help.

He then contacted Col. D. G. Penterman, the Nebraska National Guard State maintenance officer. Colonel Penterman took a crew out to Camp Ashland from Lincoln and they took a look at the situation.

First of all they called the Indiana National Guard maintenance officer and told him the story. His crew—which happened to be located at Fort Benjamin Harrison—went to work at once. They repaired the vehicles—replacing transmissions and motors and getting them into shape to travel again. This released the trail maintenance unit which was able to sweep the countryside from Indiana to Nebraska, repairing the stranded vehicles.

Meanwhile it was determined just what parts were needed and the Nebraska guard dispatched its plane to Pueblo, Colo., to pick up the equipment. The Strac unit was behind schedule and had ordered groceries from Lexington, Nebr. A quick call was made to the guard armory and the grocer at Lexington was advised to put the order back on the shelf for a day or so.

Within 48 hours the unit was rolling again. And the Nebraska guard had contacted Wyoming guard officers to pick it up and escort it through their State.

The Strac outfit was to have had a day off in Wyoming to rest up, but because of the break in Camp Ashland, was able to pass that up, and by the time they reached the west coast they were on schedule again.

The service rendered to this one outfit was made possible because the National Guard—throughout the country—is geared to provide emergency service of all kinds. It is alert and ready.

The guard, in my estimation, is essential to the welfare and protection of our Nation.

It must be maintained at full strength and on the alert.

To provide an adequate Reserve force this bill contains $1.8 billion. It had been my hope that the committee could insert mandatory language in this bill as to the strength figures for our Guard and Reserve which we feel must be preserved, but I am afraid that my friends who are parliamentarians and sticklers for technicalities would have knocked it out on a point of order. Despite this, I am most hopeful that the Secretary of Defense will heed the wishes of the Congress and spend this money as it is intended to be spent—for the maintenance of a sound and strong Reserve force of citizen soldiers.

To do otherwise would be an even worse blunder than the Pentagon decision to cut back the Reserve force in the first place.

Mr. Chairman, in the matter of Regular Army troops, the budget this year shows a vast improvement over the first couple of military budgets submitted last year—a matter which I had occasion to discuss at some length in last year's debate on the Defense appropriations bill. There were those of us who considered it extremely dangerous to maintain the Army's regular force strength at below 900,000 men, and our position was amply supported by the military witnesses from the Army who called for a regular force of at least 925,000 men.

In his last revision of the military budget in 1961, President Kennedy came around to this point of view. Spurred by the Berlin crisis, the President called for a minimum force of 1 million men, including the Reserves to be called to active duty.

On June 30, 1961, actual Army strength was only 857,000 men. By December 31, strength had been built back up to over a million men.

With the planned return to civilian life of the Reserves this August, the Army's actual strength will be reduced once more to below the million-man mark. However, it is good to see that the budget requested 960,000 for the Regular Army. Our committee has concurred in this request.

It is, in my estimation, the very minimum strength we can have with safety.

During the second Eisenhower administration, the needed scientific breakthrough occurred and we were able to start developing the arsenal of balanced deadly missiles which are today one of the bulwarks of our deterrent force. This was a very costly process and in developing this program, of necessity, other phases of our defense were deemphasized.

It has, in the past few years, become increasingly obvious that we cannot depend alone on missile strength to prevent aggression. We must have skilled, highly trained, and well-armed foot soldiers. They still bear the heaviest load of responsibility for our defense.

Upon their skill and dedication rests our hope for victory or the danger of defeat.

The Army modernization program is progressing well and this bill carries it even further.

I would like to mention just one more point, Mr. Chairman, and that involves the reunion of soldiers overseas with their families.

During the height of the Berlin crisis, the order went out barring general oversea travel by dependents. It was then a matter of logistics and of present danger should the East Germans and Soviets undertake a rash military adventure.

Although the crisis is not past, the tensions have eased considerably.

I discussed with Secretary McNamara during our hearings the possibility of

lifting this ban. He assured the committee that it is under active consideration.

I feel strongly that the travel ban must be lifted as soon as possible. The morale of our fighting forces is being impaired seriously by the separation of families. It is my hope that nothing will intervene during the next few months and that this travel ban can be lifted and our soldiers and their families can once again resume as close to a normal life as possible.

In summing up, Mr. Chairman, I think that on the whole this is a sound bill and will provide the United States with a firm military posture.

I perhaps could have wished for more strength in the matter of Reserves and the National Guard but our committee did include in this bill what I consider to be ample funds for maintaining a solid Reserve force.

We are developing a good mixture of fighting forces—a good balance between the strategic deterrent force which will prevent the Kremlin from undertaking the rash action of launching a nuclear attack and the kind of strong, flexible, and versatile ground forces which will be capable of stopping short any limited aggression the Communist world might undertake.

I strongly recommend the bill to the House.

Mr. MAHON. Mr. Chairman, in further reference to a point made previously by the gentleman from Florida [Mr. SIKES], I have discussed the matter with officials of the Defense Department and am advised that this action was in the public interest. The following statement was provided me:

Admiral Smith, of the Navy, determined last Friday morning that it was necessary to purchase additional quantities of a special type of steel for the Polaris program. This steel is processed by only United States Steel and Lukens. During the past, for well over a year, the Navy has been buying this steel from those two companies, generally splitting orders between them. United States Steel publicly stated it was raising its prices 3½ percent and Lukens stated they were not raising but were still selling at the old price. Admiral Smith quite properly proposed in the public interest to obtain the lower price on the entire order.

Mr. COHELAN. Mr. Chairman, I rise in opposition to the provision in this Defense appropriations bill which would place a limitation of 15 percent on payments for indirect costs incurred by universities conducting research under Defense Department grants, and in support of the amendment which will be offered at the appropriate time.

I am particularly familiar, and as a result concerned, with the problem that such a limitation would create since I have been closely associated with the University of California at Berkeley, which is in the Seventh California District I have the privilege to represent.

Mr. Chairman, the financial problems confronting our institutions of higher education today are enormous—problems of such significance as constructing urgently needed academic facilities, securing adequate supplies of qualified teachers, and improving the quality of our education to meet the increasingly complex challenges of our ever-changing world.

We in the Congress certainly should not add to these already serious problems. We would do exactly this, however, if we were to accept this 15-percent limitation. We would do this for the overhead costs in conducting these research studies are, on the average, substantially in excess of 15 percent, ranging to as high as 30 percent.

To be sure, Mr. Chairman, universities conducting research under Defense Department grants receive direct and local benefits. Of vastly greater importance, however, is the contribution which this research makes to the security of our Nation and to that of the free world. In brief, this research is indispensable to that security.

Recognizing these factors, I urge the House to reject the 15-percent limitation—to reject it as being unjustified and not in our best national interests. I also urge the House to approve this amendment we are now considering for the reasons I have already mentioned.

Mr. Chairman, this morning's New York Times, in a clear and incisive statement expressed vigorous endorsement for this position, and I commend this thoughtful and penetrating analysis to our colleagues' attention:

RESEARCH FOR DEFENSE

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Higher education is already in serious financial straits, faced with the simultaneous challenges of vastly expanding its facilities, competing for scarce faculty talent and maintaining or even improving the quality of instruction. For the Federal Government to ask, in effect, that the universities partially finance Defense Department research with their own funds would be most unfair. To do so would threaten to interfere with the basic purposes of education, as the Defense Department grants would thus siphon off badly needed general education money. The fact that such Defense Department grants have grown from about $8 million last year to $28.8 million this year merely underlines the danger.

In simplest terms, what must be avoided is a kind of Federal aid in reverse, aid by education to the Federal Government, when education is so desperately in need for assistance. The minimum repayment by the Government should cover the full cost, responsibly audited, shouldered by the universities.

BERKELEY, CALIF., *April 16, 1962.*

Hon JEFFERY COHELAN,
Member of Congress,
New House Office Building,
Washington, D.C.:

California Institute of Technology, Stanford University, University of Southern California, and all campuses University California all request that you inform entire California delegation of their very strong objection to House appropriation bill for Department of Defense which contains limitation of 15 percent on indirect costs reimbursement to universities conducting research under Department of Defense grants. Understand bill comes to House floor Tuesday or Wednesday this week. Also understand Congressman MEADER may introduce amendment on floor deleting objectionable portion. This limitation has dramatic impact on all privately and publicly supported higher education in California. Respectfully suggest that no California Congressman should vote for or against this provision without full facts which are too involved to present by wire.

CLARK KERR,
President, University of California.

Mr. FRELINGHUYSEN. Mr. Chairman, when the distinguished gentleman from Texas [Mr. MAHON], took the floor earlier in the debate, he devoted some time to the provisions of section 540. This section would limit to 15-percent the amount of indirect costs which could be paid to a recipient of a Federal grant. As the gentleman from Texas explained it, one reason for this limitation is to prevent the grant program from getting out of hand.

I fail to understand, Mr. Speaker, why the grant program should be any less manageable than the contract program. As I understand it, the indirect costs must be carefully justified before any claim for reimbursement will be honored. Of course the Federal grants for defense projects have been increasing, but must we assume that these grants are more costly to the taxpayers of the Nation than other approaches? If they are needlessly expensive, why not study the reasons therefor, then come up with specific recommendations? The committee report indicates—on page 48—that such a study is currently underway. Why not wait until this study is completed? Why is there being advocated now such a sweeping restriction, which unquestionably will work real hardship on the recipients of these grants?

As I indicated previously, Mr. Speaker, the Defense Department has already certified unequivocally, on pages 80–85, against this ceiling which section 540 seeks to impose. Indeed, the Defense Department, on page 83, expressed the fear that a 15 percent limitation might drastically reduce present university research activity and this curtailment would constitute "a serious impediment to the research and development programs vital to the Nation's defense effort." On page 85 the statement is made that "many critical areas of research would be seriously jeopardized if an arbitrary reduction in overhead rates to 15 percent" were to be approved.

In conclusion, Mr. Speaker, I must say that I personally feel this kind of ceiling is most unwise. At the very least it will necessitate major changes in the

present bookkeeping activities of our universities. It may well affect drastically, and disadvantageously, present and future research programs. Furthermore, I doubt whether it will save the Government any substantial sums of money, unless perhaps some universities refuse to undertake future research activity.

Certainly we cannot expect our universities to divert desperately needed revenues of their own to the subsidization of Federal research projects. Indeed, this may be too often the case now, in cases where the 15 percent limitation on reimbursement for indirect costs presently applies. Before extending this principle, we should examine the whole question most carefully. I see no reason why anyone's feet should be held to the fire while a sensible program is being worked out.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose, and Mr. PRICE having assumed the chair as Speaker pro tempore, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 11289) making appropriations for the Department of Defense for the fiscal year ending June 30, 1963, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members speaking today on the defense bill H.R. 11289 may have permission to revise and extend their remarks and include tabulations and extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE ON RULES

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING 10 O'CLOCK ON APRIL 18

Mr. MAHON. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock a.m. tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

INDIANA'S DEEPWATER PUBLIC PORT

Mr. ROUSH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. ROUSH. Mr. Speaker, I join today with the distinguished minority leader in introducing a bill to authorize Federal participation in the construction of Indiana's deepwater public port. Identical legislation is also being introduced by the Senators from Indiana.

Indiana has the dubious distinction of being the only one of the several States which border on the Great Lakes which does not have a public deepwater harbor with Federal navigation improvements. There is strong bipartisan support for the construction by the State of Indiana of such a facility. The Indiana State Legislature authorized and funded a port commission and delegated to that group the task of creating a public harbor for our State during its 1961 session by near unanimous votes in each house. Our Governor has taken the lead in driving the project forward to reality. Within a month the actual construction work on the State facilities will begin when sand will be taken from the area of the terminal facilities under terms of a sale agreement.

The Burns Waterway Harbor project is one of the most studied civil works projects in the history of our Corps of Engineers. After a most favorable interim report on the harbor was given in 1960, it was recalled and additional study was made.

Now the Chief of the Corps of Engineers has signed the report of the Board of Engineers of Rivers and Harbors which is even more favorable. In this report, the Corps of Engineers indicates, and I quote from their report:

> The district engineer reports that there is a need for a harbor on the Indiana shore of Lake Michigan at the Burns Waterway site.

The views of the Board of Engineers for Rivers and Harbors as expressed in that report are these:

> The Board of Engineers for Rivers and Harbors concurs in general in the views and recommendations of the reporting officers. It notes the conflict of interest in use of the area and has carefully considered all points of view. The Board also notes that the State of Indiana fully supports establishment of a public harbor in the Burns Waterway area to meet the requirements of increasing commerce and new industry in the State. The improvements proposed by the district engineer are in accord with the desires of the State of Indiana and are considered to be in the general public interest. The benefits from the proposed navigation improvement are considered to be in the general public interest. The benefits from the proposed navigation improvement are considered general and of the nature warranting the expenditure of Federal funds. The proposed improvements are suitable for the prospective vessel traffic and are economically justified.

This report has been forwarded to the appropriate agencies for consideration.

Preliminary reports have been received from the agencies by the district and division engineers in the course of their study and I trust that the Department of the Interior and the Public Health Service will comment immediately on the report so that this project might be expedited.

Both agencies have given the project a good deal of scrutiny and I am certain that they have all the facts at hand. There should be no reason for any delay in their resubmitting statements to the corps. To this end, I have asked the Secretary of the Interior and the Surgeon General to expedite their respective reports.

Indiana badly needs the facilities of a public deepwater harbor on Lake Michigan if it is to realize the potential it has for further industrial development. The jobs and tax base which will develop as a result of expansion around the harbor will benefit the citizens of our entire State. My district lies some 100 miles to the east of the port facility. I know, however, that the benefits which will accrue to the State will richly benefit my constituents.

The State of Indiana is also mindful of the recreational needs of her citizens and her neighbors from Chicago. It fully realizes the need for conservation of natural treasures like the Indiana dunes. It has developed and maintained a park in the area of the dunes for this purpose. Further conservation of land in this area is considered desirable by the State of Indiana and it has so testified before a Senate committee studying a proposal to create an Indiana national seashore. These two projects are not contradictory or competitive. They can and should proceed together complementing one another. The area east of the Northern Indiana Public Service property is of significant value for preservation and the State of Indiana has recommended to the Congress that additional lands be acquired in this area for conservation purposes. But the land to the west of this industrialized Northern Indiana Public Service Co. property has been used for decades for industrial or commercial purposes and should be developed as a port and industrial area. I strongly urge that the Committee on Public Works schedule hearings on this subject so that early consideration can be given to this important project.

ARE WE HARBORING A NAZI CRIMINAL IN THE UNITED STATES?

Mr. ANFUSO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ANFUSO. Mr. Speaker, we have always taken great pride in the fact that the United States has offered asylum to people escaping from religious or political oppression. But I think we are not serving the cause of freedom and democracy when we give asylum to those who have in the past been affiliated with Nazis or Communists and who were linked with the murder of innocent men, women, and children.

Such a person now enjoys asylum in this country and freely walks the streets of New York—a privilege which he re-

fused to others when he had power. His name is Nicolae Malaxa, a Rumanian alien, who now resides in New York. He came to this country in 1946 on a temporary visit and has remained here ever since.

In Rumania during the 1940's he was associated with the Fascist Iron Guard as one of their financial backers. During the years 1940–41 the Iron Guard reputedly slaughtered 7,000 Rumanian Jews. In the years during World War II, Malaxa was connected with the German Nazis. After the war, when Rumania came under Communist control, the same Malaxa switched allegiance to the Communists and carried on shady dealings with them. In fact, it is reported that he was paid some $2,500,000 in compensation by the Russians for factories taken from him, and the Communists even allowed him to transfer those funds to this country.

Mr. Speaker, I think this man's background, his stay in this country, his possible connections with the Nazis in Argentina where he stayed in the year 1955, his sham operations in setting up a nonexistent industrial plant in California in order to gain permanent residence in the United States, his questionable relations with the Communists—all that is cause for a full-scale investigation of this man.

What disturbs me most of all is that Malaxa's stay in this country was made possible through a bill introduced by former Vice President Nixon, who was then a U.S. Senator from California. I want to quote from a statement in 1952 by our distinguished colleague, the Honorable EMANUEL CELLER, chairman of the House Judiciary Committee, who made the following observations when the Nixon bill was before his committee:

> I saw something rather suspicious about the bill and I made inquiry about Nicola Malaxa. The bill provided that, despite his violation of the immigration laws and the orders that he received to depart from this country, he might remain here as a legal resident. I discovered that this man Malaxa had had very questionable relations with Communists. I think Senator Nixon is now on the defensive to tell the Nation what he knows about Nicola Malaxa and why he sponsored that bill of one who apparently is a Communist to remain in this country.

Mr. Speaker, I do not know why Mr. Nixon introduced a bill to allow one who was associated with Nazis and Communists to remain in the United States; but, be that as it may, I think it is time to take action against this man. By providing asylum to persons of the type of Malaxa, we lose the good will of freedom-loving people everywhere and we encourage criticism and suspicion as to our true aims. The Justice Department and the Department of State would be wise to look into this situation. We cannot afford to harbor such individuals.

AIR TRANSPORTATION SYSTEM

Mr. BONNER. Mr. Speaker, I ask unanimous consent to extend my remark at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BONNER. Mr. Speaker, within the last year or so it has become perfectly apparent that if our air transportation system is to serve all of the people as well and as economically as it is possible to expect, there must be a greater emphasis upon the use of regional airports which will serve several smaller communities instead of one. We must move away from the use of individual airports at each small community. The Administrator of Federal Aviation and the Chairman of the Civil Aeronautics Board, as well as individual members of the Civil Aeronautics Board, have issued statements in which they espouse the cause of the regional airport. They point out that a single community may not be able to support more than a bare minimum of one or two round trips a day if it is the only community served at a particular airport. To be contrasted with this is the situation where a number of smaller communities are served through a single airport conveniently located to all. Under these circumstances, the economic ability of the combined communities to produce passengers for air transportation is such that a much wider and more complete spectrum of service may be economically provided with little expense to the Government in the form of subsidy or in the form of matching airport construction funds.

As the Members of this House know, the Federal Government spends a great deal of money each year in assisting individual communities with the construction of airports and airport facilities and in subsidizing the local service air carriers for the primary purpose of providing service to the smaller communities.

The Members of Congress are understandably concerned lest the amount of money spent for airport construction or the amount spent for subsidy should get out of hand or increase out of proportion to the service being provided.

I hasten to add that I am a user of air transportation myself and that, in my judgment, the provision of air transport services to more rather than fewer people of the United States is highly desirable. I further am not reluctant to vote for appropriations to provide that service where substantial segments of the public will benefit.

I am, however, firmly of the opinion that the moneys of the Federal Government for both airport construction and subsidization of airline service should be spent in such fashion as to secure the most and best airline service for our people at a minimum cost to the Federal Treasury. I believe the area airport concept as developed in speeches and pronouncements of the FAA and the CAB would go a long way toward meeting this objective if it is judiciously and firmly exercised.

I notice that the President of the United States in his message to Congress of April 5 on the subject of transportation also commended the area airport concept. The President in his statement said:

> The development of single airports to serve adjacent cities, or regional airports, is also clearly necessary if these subsidies are to be eliminated and if the Federal Government and local communities are to meet the Nation's needs for adequate airports and air navigation facilities without excessive and unjustifiable costs.

However, there is a situation in eastern North Carolina where several communities are certificated or are proposed by the CAB to be certificated for service within a 25-mile radius. Each of these communities either has or proposes an airport adjacent to itself. I speak of the communities of Kinston, Goldsboro, and Rocky Mount, N.C. Right now there is pending before the FAA an application on the part of one of these cities for matching funds to construct a completely new airport which the city of course desires to be as close as possible to its own boundaries, and which is necessary or desirable in order to accommodate more modern aircraft. Other communities in the area which have not been certificated for service by the CAB, despite the earnest urging by the cities, include Greenville, Wilson and a number of other smaller communities. These cities, having failed to be designated for service by the CAB, have no way to influence location of a central airport which will offer the kind of service the area needs.

And yet all of these communities are so located that the Federal Government could, if it would, establish an airport centrally located to all of the communities which would make possible a much greater facility of service than is possible at any individual community. In addition, instead of having to maintain four or five separate airports, the communities and government would have to maintain only a single airport. When these facts are added to the fact that any airline or airlines serving such a centrally located airport would be able to eliminate duplicate facilities as well as certain operating expenses, the economic soundness of the area airport concept becomes clear.

So far, neither the Administrator nor the Civil Aeronautics Board, to my knowledge, has given any active consideration to ordering a regional airport for the area.

I am hopeful that in the situation I have described in eastern North Carolina, as well as in similar situations, where a number of adjacent communities can sensibly be served through a central facility, the offices of government will use their very best efforts to see such a central facility is provided and that the transportation and financial resources of this country will not be squandered through the provision and operation of separate facilities as small communities where, by such division of effort, the only result must be inferior airline service. I sincerely hope that this government will not spend its money unwisely in building an airport for one city to the exclusion of usefulness to others, particularly where under our

Government's announced policy the airport could be constructed as a model area airport.

THE REPUBLICANS AND "THE LIBERAL PAPERS"

Mr. REUSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, on March 15, 1962 on the "Ev and Charlie Show," we first heard of a book called "The Liberal Papers." Ev and CHARLIE—the distinguished Senator from Illinois [Mr. DIRKSEN], and the distinguished minority leader, the gentleman from Indiana [Mr. HALLECK]—sort of "associated" my name with this book. Immediately, that very day, I wrote the gentleman from Indiana [Mr. HALLECK] the following letter:

MARCH 15, 1962.

DEAR CHARLIE: My name is mentioned in a press release issued by the Joint Senate-House Republican leadership following a leadership meeting this morning, March 15, 1962.

The facts of the matter are set forth in the statement which I issued today:

"My attention has been called to a statement by the Republican National Committee that I am supposed to be a member of a liberal project which is about to publish a book on foreign policy.

"I have never been a member of any liberal project, and have no connection with any book sponsored by it or with any papers that went into the book."

Sincerely,

HENRY S. REUSS.

Evidently the lines and communication between the distinguished minority leader [Mr. HALLECK] and his Republican cohorts are not entirely effective. Yesterday morning, Monday, April 16, 1962, I received the following letter from the gentleman from Vermont [Mr. STAFFORD] advising me of the intention of himself and nine of his colleagues that my name would be "associated" with "The Liberal Papers," and that something would be said on the floor about it yesterday afternoon.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., April 13, 1962.

Hon. HENRY REUSS,
House Office Building,
Washington, D.C.

DEAR COLLEAGUE: On Monday next, April 16, I have secured time to address the House with nine of my colleagues in connection with the recent Doubleday edition of the "Liberal Papers."

I mention this to you since your name has been associated with these papers, so that you will be aware of our intention in the event you wish to be present in the House at the time.

Sincerely yours,

ROBERT T. STAFFORD,
Member of Congress.

Since I do not particularly enjoy suggestions that I am any less patriotic or loyal than any other Member, I forthwith replied to the gentleman from Vermont, making sure that my reply was hand delivered to him at 11:15 o'clock, Monday morning, April 16, 1962, as follows:

APRIL 16, 1962.

DEAR MR. STAFFORD: Thank you for your letter dated April 13 which I just received at 10:15 today (Monday morning, April 16), in which you say that you and nine of your colleagues intend to address the House today and that my name has been "associated" with "the recent Doubleday edition of the 'Liberal Papers'."

I shall not be able to be present in the House when you and your nine colleagues conduct your symposium. However, if you or any of your colleagues propose to mention my name, you should be aware of the facts. I have never been a member of the liberal group or the liberal project, and I have no connection with the "Liberal Papers." When my name was mentioned in connection with the liberal project 2 years ago, I issued a public statement to the effect that I was not a member of the liberal project or the liberal group. I have not seen the "Liberal Papers," and have nothing whatever to do with them.

If you or any of your nine colleagues intends to mention my name so as to suggest in any way that I had any connection with the "Liberal Papers," I request that you include the contents of this letter in your remarks.

I would hope, too, that you or any other of your nine colleagues would, before mentioning my name, show your confidence in what you are saying on the floor by waiving your congressional immunity for what you say on the floor.

Sincerely,

HENRY S. REUSS,
Member of Congress.

I am glad that the gentleman from Vermont [Mr. STAFFORD] and his nine Republican colleagues received my letter. In the 11 pages of this morning's CONGRESSIONAL RECORD—CONGRESSIONAL RECORD, April 16, 1962, pages 6707–6718—my name is not mentioned.

But in the course of reading these 11 pages, I am disturbed by the attitude of the 10 participating Republicans. They seem not merely to disagree with the ideas which they say are expressed in "The Liberal Papers." By denouncing these views as "most naive and dangerous to our security," "wild extremism shown by the apostles of appeasement and the disciples of defeat," tending toward "a weakening of the United States and of the free world"—they apparently deny the right under our American system of the authors of these papers to express their views.

I have no way of telling, Mr. Speaker, what kind of a view the 10 Republican Members gave us yesterday of "The Liberal Papers." From what they say, some of the papers appear to have been written by well known and respected scholars, others by persons unknown to me. Some of the ideas suggested seem good, some distinctly mediocre, many quite zany.

The point, Mr. Speaker, is not whether some of the ideas presented are crackpot, but whether the authors of the Liberal Papers have a right to present their ideas and be heard. I defend the right of the authors of these papers to make public their ideas. As Thomas Jefferson said in his first inaugural:

Error of opinion may be tolerated where reason is left free to combat it.

I do not find that the Goddess of Reason was hovering over much that was said here yesterday. For example, one of the participants in the symposium denounced the following suggestion by Prof. Quincy Wright: "Breaking down nationalistic and ideological barriers to trade, and facilitating the development of the world through the pacifying influence of international commerce."

At the risk of being called a Red, I would like to align myself with Professor Wright on this. I am all for world trade and I think it is a good thing.

In fact, I do not find that the remarks of the 10 Republican Members particularly strengthen the cause of the free world in its struggle against communism. The gentleman from Minnesota [Mr. MACGREGOR] says—CONGRESSIONAL RECORD, page 6717—speaking of our relations with Chancellor Adenauer's Germany:

Adenauer has long been toying with the idea of announcing himself neutral and making a deal with the Russians.

I would defend to the end the right of the gentleman from Minnesota [Mr. MACGREGOR] to slander Chancellor Adenauer on the floor of the House, but I think he is dead wrong, and I am confident that his views are not shared by any other Member.

The Republican Members attempt to involve the White House in "The Liberal Papers" in a most ingenious way. August Heckscher, who is currently helping out in the White House on cultural matters, wrote a book review of "The Liberal Papers" in the New York Times book review section for April 8, 1962, in which he made the general point that it is a good thing for new ideas to be expressed. For this, Mr. Heckscher was criticized on the floor by the gentleman from Vermont [Mr. STAFFORD].

It is interesting to note, Mr. Speaker, that later on in the debate another Republican Member, the gentleman from Iowa [Mr. SCHWENGEL] made the same point that Mr. Heckscher did. Said the gentleman from Iowa [Mr. SCHWENGEL]—CONGRESSIONAL RECORD, page 6718:

I have read those Liberal Papers with a great deal of interest. The Liberal Papers have provoked an interesting discussion in that they have made their greatest contribution. Even though I cannot agree with all that has been written by them, they have given us an opportunity to further discuss all of these matters that relate to the preservation of ideals and the promotion of ideals that must be established in all parts of the world if we are giong to have a peaceful world and if we are going to realize the kind of a situation we all want so that all of us can have a more abundant life.

It would be silly, Mr. Speaker, to say on the basis of this that the Republicans have endorsed and sponsored "The Liberal Papers." But I think it is equally silly to try to pin it on the White House because of Mr. Heckscher's book review.

I do not believe, Mr. Speaker, that the American people are so forlorn that we cannot stand hearing new ideas—good, bad, or indifferent—and accept them or reject them on their merits. The Republicans who think that they have a shillelagh may end up with a political boomerang.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. REUSS. I shall be glad to yield to the distinguished minority leader, the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. The gentleman has explained his position to me and, if he disassociates himself, as far as I am concerned, that is it.

Mr. REUSS. I thank the gentleman, although unfortunately that apparently was not it for his young Republican colleagues, and I ask the gentleman what kind of communication exists between the minority leader and these 10 freshman Republicans?

Mr. HALLECK. I have here a photostatic copy of a statement given at a liberal project press conference on April 19, 1960 in room 346 of the House Office Building, printed on the stationery of the gentleman from Wisconsin [Mr. KASTENMEIER].

Mr. REUSS. Yes, I know all about that 2-year-old press release, and I wrote the gentleman on March 15, 1962, to inform him that the release was in error. Two years ago I got out a statement showing that the press release was inaccurate, and that I was not a member of "liberal group," yet the gentleman on March 15, 1962, took the television microphone and mentioned my name.

Mr. HALLECK. But the gentleman does recognize that he was listed as one of the participants.

CREATION OF YOUTH CONSERVATION CORPS

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include a newspaper article.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. PERKINS. Mr. Speaker, infrequently does major legislation receive such overwhelming support from all areas of the country as has been evidenced in the case of legislation to create a Youth Conservation Corps.

At this time I would direct my colleagues' attention to an article appearing in the New York Herald Tribune, April 13, which shows that over 70 percent of the people in all regions of the Nation—East, Midwest, South, and Far West—regardless of political party or affiliation, favor the establishment of a Youth Conservation Corps along the lines of the Civilian Conservation Corps of the 1930's as a means of accomplishing many worthwhile conservation projects and, at the same time, effectively attacking the youth unemployment problem.

I am pleased to say that the House Education and Labor Committee has reported on March 29, 1962, H.R. 10682, the Youth Employment Opportunities Act of 1962, title I of which makes provision for a Youth Conseravtion Corps. I sincerely hope that Rules Committee clearance at an early late can be obtained for this important legislation so that the full membership will have an opportunity to take prompt action on this popular demand. I include the full article to which I have referred following remarks at this point in the RECORD:

EIGHT IN TEN FAVOR REVIVAL OF CCC YOUTH CAMPS

(By George Gallup)

PRINCETON, N.J.—As a way of dealing with the growing problem of out-of-school, out-of-work young men, the American public is highly in favor of reviving the concept of the CCC camps of the 1930's.

Supported by 8 out of 10 persons, such a proposal would set up youth conservation camps for men between the ages of 16 and 22 who want to learn a trade and earn a little money by working outdoors.

Such a concept is embodied in the youth training bills now before Congress, with differing Senate and House versions. The Senate bill calls for a maximum of 150,000 youths in the program by the year 1965; the House version would limit the number to 12,000 at any time over a 3-year period.

To see how the public feels about the general principle of modern-day CCC camps, Gallup poll reporters put this question to a cross section of adults:

"It is proposed that the Federal Government set up youth camps—such as the CCC camps of the 1930's—for young men 16 to 22 years who want to learn a trade and earn a little money by outdoor work. Do you think this is a good idea or a poor idea?"

The vote nationwide:

	Percent
Good idea	79
Poor idea	16
No opinion	5

Analysis shows that the youth camps win overwhelming support in all regions of the Nation—East, Midwest, South and Far West.

Big majorities of older voters—who recall the CCC camps of the 1930's—as well as younger voters endorse the idea of youth camps.

Although the proposal has bipartisan support at the grassroots level, a modern-day CCC has more appeal to Democrats and Independents (83- and 80-percent approval respectively) than it does to rank-and-file Republicans (70-percent approval).

Although the public supports the basic principle of youth conservation camps, the question of whether youths who are out of school and out of work should be required to go to these camps provokes some controversy.

Authorities estimate that as many as 1 million young men each year find themselves out of school, out of work, and not accepted by the military service. Many youth experts contend that this situation, in addition to providing a breeding ground for juvenile delinquency, constitutes a great waste of the Nation's manpower.

Overall, when asked about requiring such young men to go to youth camps, more persons approve of the mandatory approach than disapprove of it.

Among Republicans interviewed, however, the prevailing sentiment is against requiring young men to go to the camps. Democrats and Independents support such an approach.

Younger voters tend to vote against such a method of handling the youth camps; a majority of older voters are in favor of it.

During the 1930s, upwards of 2 million men were at one time members of the Civilian Conservation Corps or its predecessor, the Emergency Conservation Work Agency.

Gallup poll files show that no New Deal measure was so consistently popular with the public as the CCC camps.

In July 1936, after the camps had been in operation for 3 years, 83 percent of persons in a national survey were in favor of continuing the CCC.

In April 1938, another Gallup poll recorded nearly 8 out of 10 in favor of establishing the camps on a permanent basis.

AN INCREDIBLE WEEK

Mrs. MAY. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. HARVEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Washington?

There was no objection.

Mr. HARVEY of Indiana. Mr. Speaker, it is interesting to compare two editorials from two of the leading dailies of the United States on the question of the "hassle" between the President and management of some of the large steel companies.

The subject of the controversy is not new; Presidents in the past have tried to use their office to deal with wage negotiations within the steel industry.

The impact of this effort will be felt for years to come.

The editorials to which I have referred are as follows:

[From the Wall Street Journal, Apr. 16, 1962]

AN INCREDIBLE WEEK

In a long life not without its share of amazements, we never saw anything like it.

On Tuesday one of the country's steel companies announced it was going to try to get more money for its product. And promptly all hell busted loose.

We wouldn't have been surprised ourselves if some people had shaken their heads in puzzlement at the new price list. Although after 20 years of inflation a price rise in anything is hardly unusual, there was some reason for wondering if the company officials had made the right decision in today's market.

But what happened was no mere head-shaking. The President of the United States went into what can only be described as a tirade. Not only had the company changed its price list without consulting him but it had also set a price which, in his opinion, was "wholly unjustified." With a long preamble in which he rang in the Berlin crisis, the soldiers killed the other day in Vietnam, the wives and mothers separated from their husbands by the Reserve callup—all of which he cast at the feet of these irresponsible steel officials—he wound up by crying that these men had shown their "utter contempt" for the welfare of the country.

The response in Washington was instantaneous. The Justice Department, the Federal Trade Commission, the congressional inquisitors all leaped to arms.

Then came the night riders. At 3 a.m. Thursday morning a reporter for the Associated Press was awakened by Government agents unable to wait even for regular office hours in their driven haste to find out what testimony he could give about the criminal conduct of these steel officials. At 5 a.m. it was the turn of our own reporter in Philadelphia. At 6:30 a.m. the scene was repeated in Wilmington, Del., for a reporter on the Evening Journal. All this without any warrants, only orders from the Attorney General of the United States.

By mid-Thursday morning the United States Steel Corp. had been subpenaed for all documents bearing on the crime and had learned that a Federal grand jury would move swiftly to see what laws had been violated by asking three-tenths of a cent a pound more for a piece of steel.

This brought us to Thursday afternoon. Then Mr. Roger Blough, the chairman of this company, felt forced to stand up to an assembly of microphones and television cameras and defend himself before the country for the wickedness of his deeds. And to be treated by the reporters at that gathering as if they were a part of the prosecution and he was, indeed, a malefactor in the dock.

And that leads to what is probably the most amazing thing of all about last week. Across the country—on the radio, in newspapers, and at street corners—the necessity of the defenders to justify themselves before the righteous accusers was simply accepted as a premise from which the trial should begin. There were few to say otherwise.

In such a climate it was not at all surprising what the mailed fist could do. All day Friday steel company offices were awash with Government agents, while the threats of punishment were mingled with promises of reward for doing the rulers' bidding. It is a technique of Government not unknown elsewhere in the world, and it is a combination almost irresistible. So by Friday night Mr. Kennedy had his victory.

Finally the jubilation. The President himself said all the people of the United States should be gratified. Around him there was joy unrestrained at this proof positive of how naked political power, ruthlessly used, could smash any private citizen who got in its way. So far as we could tell, the people did seem relieved that it was all over and that the malefactors had been brought to heel.

Yet what, in all truth, is this crime with which these men stood charged by a wrathful President?

It had nothing to do with arguments about whether this particular asking price was economically justified, or fair to the steel stockholders, or somehow responsible for dead soldiers in Vietnam. This last is sheer demagoguery, and the others are questions no man can answer—neither Mr. Blough nor Mr. Kennedy.

What was really at issue here, and still is, is whether the price of steel is to be determined by the constant bargaining in the marketplace between the makers and buyers of steel; you may be sure that if the makers guessed wrong the market would promptly change their decision. Or whether the price of steel is to be decided and then enforced by the Government. In short, the issue is whether we have a free market system or whether we do not. That, and nothing more.

Thus the true crime of this company was that it did not get permission from the Government and that its attempted asking price did not suit the ideas of a tiny handful of men around the White House.

It was for this that last week we saw the President of the United States in a fury, a public pillorying of an industry, threatened reprisals against all business, the spectacle of a private citizen helplessly trying to defend himself against unnamed accusations, the knock of policemen on the midnight door. And there was hardly a voice rising above the clamor to ask what it was all about.

If we had not seen it with our eyes and heard it with our own ears, we would not have been able to believe that in America it actually happened.

[From the Christian Science Monitor, Apr. 14, 1962]

ECONOMICS WINS IN STEEL

The collapse of the price rise movement in the American steel industry, including its abandonment even by those who initiated it, is a triumph for commonsense.

There have been efforts to interpret it in political terms; but the much more cogent factors in the outcome were economic.

The forces of public opinion were effectively invoked by President Kennedy, but public sentiment has been invoked before, either against business or organized labor, with much less effect.

For decades the United States Steel Corp., by far the largest producer, has been the acknowledged policy leader in American steel. This time the crucial factor probably was that a significant number of other steel managements just could not believe that an increase in charges to customers was the way to sell more steel.

And to sell more steel is the big need of American companies both at home and overseas. The great difference between this occasion and the many wage and price rises of earlier times is that now the American steel industry is part of a world market.

No longer can it either sit behind a tariff wall that insures supremacy in its domestic market nor be unconcerned about sales abroad. In both areas it has always operated against heavy wage differentials, making up its disadvantage by efficiency, but now European and Japanese steelmakers also have highly modern equipment.

Moreover—not unlike the railroads, facing competition by highway, waterway, and air—American steel manufacturers have seen need to look to their defenses against displacement by substitute materials, either nonferrous metals or plastics, as well as against inroads of foreign steel.

The manner of the reversal of the intended price rise has several lessons in it. Spokesmen both of business and government have backed away from the implication that this was a premeditated challenge to the Kennedy administration. Or that such a conflict could possibly be desirable.

The break came when it was apparent that two relatively small, but by no means inconsequential, producers—Inland and Kaiser—would not join in making steel more expensive. This gave Defense Secretary McNamara an opportunity to state that suppliers who kept the old prices would be favored in Government contracts. The move not only was logical in taxpayers' interests but hinted what might be the reaction of less massive buyers down to the purchaser of an electric toaster.

The denouement offers a surprising but conclusive answer to the crux of the Attorney General's antitrust theory in the case. Obviously the United States Steel Corp. did not hold so dominant a position as to control the action of the rest of the companies.

Further, the episode leaves intact points made by Roger Blough, chairman of that firm: (1) That the steel industry of America has absorbed several wage-cost increases since its last price increase. (2) That depreciation allowances under Federal income taxes are far from sufficient to permit it the means of financing necessary plant expansion.

On the matter of tax relief, even tax inducements to facilitate modernization, the American steel industry now has a far stronger case than appeared for a few days.

And the entire Nation can move into an era of heightened production with a unity and vigor that were briefly very much in danger.

SHALL WE TURN OUR BACKS ON THOSE WHOSE ONLY DESIRE IS TO SERVE?

Mrs. MAY. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. SEELEY-BROWN] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Washington?

There was no objection.

Mr. SEELY-BROWN. Mr. Speaker, the Armed Services Committee is conducting hearings on the proposal by the Department of Defense to reorganize the Reserve components of the Army.

This proposed reorganization would include what the Department chooses to call the realinement of the 43d Infantry Division, the famous Winged Victory Division of World War II. I am particularly opposed to the plan to reduce the 43d from a division to a brigade, and I have requested the committee to permit me to testify at the hearings, as have some 20 or more Members of this House.

The greater part of the Connecticut National Guard is in the 43d Division, which has its headquarters in Connecticut, with Maj. Gen. Edmund Walker as commanding officer. National Guard units of the Rhode Island and Vermont National Guard also are part of the 43d.

It is the patriotic interest of a large number of young men of New England whose only desire is to continue to serve their country, which impels me to speak out against a reorganization which forecloses that kind of service.

I, for one, and I am sure that I am joined in this by every Member of the Congress, am as eager as the Department of the Army can possibly be to "improve the overall combat readiness of the Reserve components of the Army," as the Department of Defense has announced.

It is a wise provision of the law, it seems to me, which requires the Department of Defense to submit its plans for proposed changes in our military posture to the appropriate committees of the House and of the Senate. In this way, Congress very properly exercises a veto power over the significant acts of the Defense Establishment. In this way, too, not only is the solemn tradition, which is as old as our country, observed, of ultimate civilian control of the military; but also the elected representatives of the people are assured of full knowledge of military programs before they are undertaken.

As the Armed Services Committee inquires further into this plan for reorganization, perhaps its members, too, as I do, will find it difficult to see how the "overall combat readiness of the Reserve components" of the Army can be improved by reducing the 43d Infantry Division, composed of units of the National Guard of Connecticut, Rhode Island, and Vermont, to a brigade.

I believe that this situation which represents my particular interest is an example of Pentagon thinking which has far deeper significance.

The present Reserve structure consists of 27 National Guard divisions and 10 Army Reserve divisions. The Secretary of the Army, in a memorandum to the Governors of the various States, said:

> It has been determined that eight infantry divisions in this structure are excess to our mobilization requirements, the eight consisting of four National Guard and four Army Reserve divisions.

So, they are realining these surplus divisions by reducing them to brigades. Heaven forbid that, in battle, it should

ever be necessary to realine our forces that way.

I expect that the committee will weigh carefully the proposed reorganization of the Reserve components, to determine in what way overall combat readiness of our entire Defense Establishment can be improved by reducing Reserve Forces in being to a status which is little more than existence on paper.

As contemporary intelligence to accompany the Army's news about its plan to increase its overall combat readiness by reducing eight divisions to brigades, I offer the substance of two news items from the press of last week.

One carries a headline, "Defense Officials See a Low Draft Rate in the Next Few Years." The other says "an Army spokesman hinted" that "tens of thousands of reservists who have not participated in organized units since leaving active duty may face compulsory summer training." The news item goes on to say that as part of a planned reorganization of the Reserves, "the first to be tapped would be young reservists who had 6 months' active duty with the Army, followed by former draftees, reservists with 2 years' active duty, and other categories."

On the one hand, the Selective Service is going to call up fewer and fewer young men when they arrive at the age for required service; and on the other hand, men who have had 6 months of active duty are to be called back.

These two items do not make very much sense by themselves; but the whole picture makes even less sense when we add to it the Army's proposal to improve combat readiness by wiping out four National Guard divisions, one of which, the 43d, has a heritage of glory that can match that of some of the proudest divisions of the Regular Army.

It has been claimed, by spokesmen for the brass hats who throughout our history have managed only to tolerate the National Guard as a part of our Military Establishment, that Regular Army outfits yield "more bang per buck" for our country than the joint Federal-State forces of the National Guard.

Since it has been the established policy of our country for some time now that military preparedness and the security of the Nation demand the potential service of men of all ages and of all occupations, in various ways, it is difficult to see how this argument has any bearing upon the demobilization of the National Guard now proposed.

The Defense Department proposed for the 1963 fiscal year a total strength of 670,000 for the Army National Guard and the Army Reserve, a reduction from the 700,000 for which Congress provided funds in the current fiscal year. Later, the Pentagon proposed cutting this authorized strength to 642,000, or 58,000 less than the strength for which Congress provided funds this year.

However, the Appropriations Committee, after due study, says it "is not in sympathy with the drill strength estimates" submitted by the Army, and "recommends the appropriation of funds for the continuation of a program of 700,000 paid drill strength. It is expected that the paid drill strengths of these components of the Reserve Forces will be maintained at 400,000 for the Army National Guard and 300,000 for the Army Reserve."

So, benching the National Guard as an economy move is one that is not endorsed by the greatest economizers known to our Government, the members of the Committee on Appropriations of the House of Representatives. And if it is a move in the interest of efficiency, the Army will have to demonstrate to the Armed Services Committee, it seems to me, that it can achieve more overall combat readiness by recruiting and training 58,000 fewer troops.

There is more to combat readiness or military effectiveness than hardware. The best possible equipment is essential; but more essential is what is inside the man who is to do the fighting.

Men join up, in the Regular Army, in the National Guard, in the Reserves, for a variety of reasons, beyond the obligation for service which the present Selective Service Act imposes.

It is a well-known fact that the recruiting of men for the National Guard costs far less than the really impressive costs of recruiting a man for the Regular Army. In peace and in war, men who join like to serve with their own buddies, with fellows from their own hometown. Whatever differences of opinion there may be at times about the combat readiness, it will be admitted, I believe, that the morale of most National Guard divisions in all of our wars has been conspicuously high, and has been of great effect in difficult times.

The commanding general of the American Forces in Germany at the present time, Gen. Bruce C. Clarke, said recently:

> The National Guard made an outstanding contribution to victory in the First World War, but it was in World War II that the guard really proved its importance as one of the shaping forces in our national policy.

A history of U.S. military policy on Reserve Forces from 1775 through 1957, prepared by Eilene Galloway, national defense analyst of the Legislative Reference Service of the Library of Congress makes some concluding observations after reviewing the always-controversial part that the National Guard has played ever since the beginning of our country.

A particularly appropriate observation, it seems to me, is this one:

> Military manpower laws must be supported by what Mr. Justice Holmes called a preponderant public opinion. Such opinion has been in the process of being formulated and of making an adjustment to the continuing threat posed by aggressive communism, and is now much more firm in supporting an adequate and stabilized Military Establishment than it has been throughout the greater part of the Nation's history when the threat of war was intermittent. Even so, a very careful balance must be struck between compulsory and voluntary provisions by which the citizen may discourage his military obligation.
>
> Legislation alone is not the answer to all the problems. Success depends also upon a combination of leadership and morale, good programs and adequate appropriations, wise departmental regulations and administration, facilities and equipment, and public understanding.

When the 43d Infantry Division came home from the Japanese mainland after World War II was over, with its record of 7,610 casualties and 11,806 decorations, the commanding general of the Army Ground Forces had this to say:

> Ranking as it does, with the finest military units of the United States, the 43d Infantry Division can look back with justifiable pride upon its splendid accomplishments in the Asiatic-Pacific theater of operations. The division contributed to our glorious victory over a fanatical foe and won the undying esteem of a grateful Nation.
>
> You officers and men of the 43d, possessing sterling qualities of courage, sacrifice, and deep devotion to duty, must as individuals feel proud of the battles won in four major campaigns—Guadalcanal, the Northern Solomons, New Guinea, and Luzon. Now that the advance of peace permits the inactivation of the 43d Division, may I commend you and your organization and add my sincere appreciation for a job well done.

Today, the officers and men of the 43d Division are of a later generation, all but a few of the senior officers, perhaps. But the division is the same, and its soldiers are of the same stock as those who earned so valiantly the commendation quoted.

The way to improve combat readiness is to recruit to full strength the 43d Division, and others like it, to back up the Regular Army and our fighting forces all over the world.

These men of the 43d Division are eager to serve their country, as they have been doing. Shall we turn our backs on them?

U.S. FOREIGN TRADE POLICY—A DECLARATION OF PRINCIPLES BY A COMMITTEE OF ECONOMISTS

Mrs. MAY. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. SCHNEEBELI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Washington?

There was no objection.

Mr. SCHNEEBELI. Mr. Speaker, this House has been subjected to the most remarkable number of unfounded assertions about what the so-called trade expansion bill, H.R. 9900, would accomplish. It was refreshing, therefore, for us to receive testimony of a completely objective nature on the measure from a distinguished committee of economists. The statement was prepared and delivered by Prof. Patrick M. Boarman, of Bucknell. The chairman of the committee is the distinguished professor emeritus, O. Glenn Saxon, of Yale. The vice chairman is James Washington Bell, likewise a distinguished professor emeritus from Northwestern University:

A DECLARATION OF PRINCIPLES BY A COMMITTEE OF ECONOMISTS

(Presented to the House Committee on Ways and Means April 9, 1962, by Patrick M. Boarman, associate professor of economics, Bucknell University)

I

The committee of economists whom I have the privilege to represent (their names are appended to this statement) is not concerned with the special interest of any particular group or entity—firm, industry,

occupation, or geographical region. Our concern is rather with the interest of the Nation as a whole as we judge this interest to be affected by the proposed tariff reform legislation known as H.R. 9900.

It is our belief that unless there are substantial changes in the proposed legislation and unless it is accompanied simultaneously by thoroughgoing internal reforms (which we shall presently specify), its net effect will be to harm the Nation's domestic economy and worsen its already weak international posture.

Let it be said at the outset that all of us as economists support the ideal of universal free trade and all that it implies. All of us will agree with Adam Smith that "it is the maxim of every prudent master of a family never to attempt to make at home what it will cost him more to make than to buy" and that "what is prudence in the conduct of every private family can scarcely be folly in that of a great kingdom."

We favor free trade and the measures which will promote such trade for reasons which are derived directly from the first principles of economics. Free trade increases economic welfare for all the participating countries. It expands consumers' choices, giving them the possibility of acquiring goods which cannot be had at home, or which can be had at home only at higher prices. Free trade makes it possible for each country to specialize in those lines of economic endeavor in which it is most efficient, thus maximizing the gross gain to the world from the world's resources.

This much said, however, it behooves us to inquire into the conditions under which this gross gain to the world from free trade will be fairly shared by the participating countries. Free trade was never supposed to operate in a vacuum, but only within the context of certain conditions. These are, first, that there will be no quantitative restrictions of trade (quotas) imposed by the trading countries. Reductions of tariffs on specified items will be meaningless where there are limitations on the quantity of the commodity which may be imported.

Secondly, it is assumed that full and complete convertibility of currencies prevails, i.e., that the free trade area in question constitutes, in effect, one homogeneous payment community. Were this not to be the case, reductions in tariffs, whether undertaken unilaterally or multilaterally, could be deprived of any real significance. Of what use would it be to have the tariff reduced on a given import if one cannot freely acquire the foreign exchange needed to buy the import in the first place?

Thirdly, for free trade not to result in unfavorable advantage being taken by one country or another, it is assumed that no special advantages are reserved to one country in virtue of its tax structure, the subsidies it pays to domestic producers, or the domestic monopolies and cartels its laws may permit to exist.

Fourth, while it is not necessary for wages in a multilateral system to be the same in every country—indeed, the existence of trade is to a large extent predicated upon such differences—it is necessary that the ratio of money wage increases to productivity increases be approximately uniform in the free trade area. It is easy to see what the consequence would be if this condition were not met. If wages in Country A are increasing faster in relation to the increases in its productivity than wages are increasing relative to productivity elsewhere, A will find that its cost of production in respect to labor will place it at an increasing disadvantage in the world's markets, leading to a fall in its exports. Moreover, where the unfavorable wages-to-productivity ratio is maintained, a rise in imports will ensue as A's industries lose out to foreign producers even in their own home markets. These issues are of particular concern to the United States at the present time since the wage-productivity relationship has become increasingly unfavorable for us. The statistics cited by Emile Benoit in his study "Europe at Sixes and Sevens"[1] show that while wages in manufacturing rose 31 percent in the United States between 1953 and 1960, they rose 34 percent in France, 45 percent in Italy, 49 percent in Japan, 60 percent in Great Britain, and 69 percent in West Germany. However, the apparent modest increase in the level of U.S. wages was more than offset by the relative stagnation of U.S. productivity in the same period. Thus, U.S. productivity in manufacturing rose only 15 percent as compared with a rise of 53 percent in Germany, 54 percent in France, 58 percent in Italy, and 71 percent in Japan. Even Great Britain, where productivity growth has lagged, registered an increase of 29 percent, a rate almost twice that of the United States.

It may be argued that a country such as the United States will be forced ultimately to shift resources into activities where it is most productive and in which its high general level of wages is justified. This is correct but two vital considerations impose themselves in this case. The first is the extent and the duration of the transitional process involved in the reallocation of the factors of production. A sudden displacement of factors from present employments, where there are no immediate prospects of reemployment, is a situation attended always by the danger of cyclical upset. The larger the quantity of factors involved and the longer the time needed to reabsorb them into other lines of activity, the greater is the likelihood of a domestic collapse of confidence leading, via the multiplier effect, to the perverse dynamics of a recession. Moreover, the fewer are the alternative uses to which the factors can be put, the more likely it is that factor displacement due to imports will be chronic (for example, sheet glass factories can be used only to produce sheet glass; there is no other use to which they can be put should imports put an end to the sheet glass industry). Widespread and chronic underuse of labor and other factors, and the economic stagnation which accompanies unemployment of this kind, must be regarded as heavy price to pay for the gains of free trade. Indeed, the gains of free trade will in this case accrue only to one segment of the population, namely, those who are still employed and who have incomes available to expend on imports.

The second consideration is that it is at least theoretically conceivable that a wage-to-productivity ratio could become so unfavorable for a given country (in our case, the United States) that there would be continuous shrinkage of domestic employment to industries of the highest productivity. The more unfavorable the overall wage-productivity ratio becomes, the smaller will be the volume of domestic employment that it can support. In an extreme case, 50 percent of our labor force could conceivably be put out of work with the employed 50 percent earning the exceptionally high wages that it is possible to pay in the remaining most productive industries.

A fifth, and most important basic assumption of a free trade world in which there will not be chronic balance of payments disequilibria, is that the participating countries are all following roughly parallel fiscal and monetary policies. The postwar period has provided us with some egregious examples of the problems which result where this is not the case. If country A follows a persistently inflationary course whereas country B follows a strictly anti-inflationary course, the resulting relative excess demand in A will tend to consume exportable resources, thus slowing exports to B, and to suck in imports, often regardless of price. Conversely, the relatively restrained level of demand in B will free resources for export to A while simultaneously slowing B's consumption of imports. The combined effects of these movements will be to cause A to have a chronic deficit and B a chronic surplus in its balance of payments. To the extent that tariffs and other barriers to trade are lowered, these imbalances will tend to become even more pronounced.

Other characteristics of a free trade world would be the absence of barriers to the free flow of labor and capital across national borders and security for capital investments against nationalization without just compensation. These and all of the preceding conditions which have been mentioned are indispensable to the operation of a free trade system which is not to result in the exploitation of one country by another or in chronic international disequilibrium, or both. But it is patent that today not one of the conditions mentioned is fulfilled, at least as far as the trade between the United States and the rest of the world is concerned. In particular, there is a glaring lack of parallelism in the monetary and fiscal policies of the United States and other countries. It is this circumstance which will undoubtedly give us the most trouble as we embark upon any program of trade expansion.

II

Among the most dramatic recent examples of what happens where there is sharp divergence in internal monetary and fiscal policies amongst the members of a trading system is provided within the European complex itself. The notorious chronic export surpluses of West Germany in the fifties were due primarily to the fact that Germany, remembering her disastrous inflations, was pursuing a determinedly anti-inflationary policy whereas Great Britain, France, and the Scandinavian countries, remembering the great depression, were pursuing policies of monetary ease, tolerating inflation for the sake of promoting full employment and the objectives of the welfare state. Equally notorious and annoying, in consequence, were the chronic balance-of-payments deficits registered by these countries. Indeed, so acute did intra-European imbalance become in the middle fifties, so scarce the D-mark, that the painfully reerected system of partial multilateralism in Europe was on the point of collapse. It was only when the British in 1957, under the leadership of Macmillan, the "great deflationist," abandoned the long-dominant cheap money philosophy (the British Central Bank raised its rediscount rate in that year to an alltime high of 7 percent) that a semblance of equilibrium was restored.

More particularly, it was because France at the end of 1958 put a stop to inflation and devalued the franc, coupling these acts with certain drastic reforms of the domestic economy, that the Common Market became possible. In effect, the Common Market countries all adjusted their internal policies to those of the most disciplined member, West Germany. Had France not so adjusted its internal price and income levels, the opening of the Common Market on January 1, 1959, even with the relatively modest tariff reductions which then occurred, would have bankrupted that nation overnight.

Frenchmen with their inflated incomes and prices would have rushed to buy German goods, whereas Germans, with their relatively lower incomes and lower prices would have had no particular urge to purchase French commodities in spite of lower French

[1] Emile Benoit, "Europe at Sixes and Sevens" (New York: Columbia University Press, 1961).

tariffs. The point is that France in the pre-Common Market era did not suffer from progressively larger deficits because she was poor—she was and is potentially one of the richest nations of Europe. And Germany did not enjoy progressively larger export surpluses because she was rich. Two things—wrote Wilhelm Roepke[2] apropos of the French difficulties of 1957—must be kept distinct:

"On the one hand, the economic potential of a country or what may be called the foundations of its wealth and, on the other, its economic-monetary order upon which depends the degree to which this potential is activated. Attention must be directed to the undeniable fact that the economic potential of France is in spite of everything greater than that of Germany by a not inconsiderable margin. Against this, however, Germany was more fortunate in the activation of its economic potential than France * * * the former country succeeded by means of a clearly conceived and for the most part effectively executed economic policy in solving the economic problem No. 1 of every economic system; viz, the problem of economic order. This is the secret of everything which has occurred since the reform of summer 1948 under the rubric of the German economic miracle. The principle which requires that one not confuse economic potential with economic order, nor superiority of economic condition with economic equilibrium was especially pertinent in the case of German balance-of-payments surpluses and recent French balance-of-payments deficits.

"The differences in economic condition between France and Germany—differences which are in France's favor—remained in spite of the disturbance to the balance of payments * * * But it was precisely the perverse effect of the disturbance to balance of payments equilibrium between France and Germany and of the associated differences in inflationary pressure between them that the poorer country was forced to become the creditor of the richer country." [3]

It is perhaps unnecessary to add that Professor Roepke's analysis and his prophecy that the French economy needed only the right policies in order to come alive and realize its full potential were fully vindicated in the turnabout in the French balance of payments from deep deficit to substantial surplus. What is of significance here is that it was not the establishment of the Common Market or the lowering of tariffs as such which made the Common Market countries economically strong. On the contrary, it was the return to monetary and economic discipline of these countries and their individual efforts to adjust their internal policies to a common international standard which made possible the Common Market and the associated benefits of tariff cutting. Free trade, in short, and the tariff reductions which it implies, are but pleasant byproducts of prior monetary and fiscal integration and harmonization.

III

It is now the United States which has moved into the deficit position in the international economy once held by certain of our European neighbors. The dollar shortage which so mesmerized the attention of economists until a very short while ago, has been converted to a dollar glut. And if the chronic dollar shortages (and D-mark shortages) of the early postwar period were due chiefly to the refusal of some nondollar (and non-D-mark) countries to remove excess demand from their economies by appropriate monetary and fiscal policies, the dollar glut must be attributed in great part to the persistent failure of the United States to make the internal adjustments necessary to maintain balance with the changed world surroundings of the 50's and 60's.

The real issue confronting the United States today in its international economic relationships is not, therefore, whether we should have tariff reform or no tariff reform. It is whether we should have tariff reform with, or tariff reform without simultaneous (or better still prior) internal fiscal, monetary, and economic reforms. But concern for such reforms is conspicuously absent in H.R. 9900.

If the appropriate conditions under which free trade can work to our advantage in the present world situation seem to us to have been unduly neglected in the proposed legislation, it is nevertheless clear that what the proponents of this legislation have in mind is something far more than the simple economic gains to consumers here and abroad which more free trade will bring. The trade expansion program is supposed to achieve in one fell swoop nothing less than the following ambitious goals:

1. Increase in consumer welfare.
2. Increase in employment.
3. Accelerated growth of the U.S. economy.
4. Maintenance of U.S. economic leadership of the free world.
5. Aid to the developing nations.
6. Overcoming of U.S. balance-of-payments deficits and ending of the drain on U.S. gold reserves. (This has been implied by spokesmen for H.R. 9900; there is no specific mention of this objective in the bill itself.)

Free trade, in fact, is being urged as the answer to almost all our problems, domestic and international. It is important to note that there is a very large assumption on which these expectations are based. The assumption is that the proposed legislation will not only cause exports to increase to an extent equal to the expected increase in imports, but that it will yield a net increase in exports over imports. Obviously, if exports increase only at the same rate as imports, none of the stated objectives, except perhaps increased consumer welfare, can be attained. Only if exports increase faster than imports will it be possible to maintain our present rate of expenditure abroad for national defense and foreign aid without further aggravation of the existing and cumulative balance of payments deficits. And only if there is a net increase in exports can employment be increased and growth rates accelerated.

There is, however, no guarantee whatsoever that unilateral tariff reform by the United States, no matter how sweeping, will yield the expected net increase in exports. This is evident if we consider, first, the improbability of the proposed drastic tariff reductions being matched by our neighbors abroad, in particular, by the Common Market countries, and secondly, the effects on the trade balance of persistent inflation in the United States.

U.S. tariffs are already at exceptionally low levels as compared both with U.S. tariffs in earlier periods and with the tariffs of other industrial countries now. Using the (admittedly imprecise) gage found in the ratio of total duties collected to dutiable imports, it would appear that the present U.S. tariff level is only one-fifth of what it was in the unlamented days of Smoot-Hawley. And from the Joint Economic Committee of the Congress has come a set of figures which shows the average posted tariff rates imposed on industrial goods by various key countries, including the Common Market and the United States taken as a unit. The pertinent rates are shown in the accompanying table:

Industrial tariffs

(Weighted averages)

	Percent
Japan	19
Austria	19
United Kingdom	17
New Zealand	17
Italy	16
Canada	16
France	15
EEC	14
Australia	12
United States	11
Norway	11
Benelux	11
West Germany	9
Sweden	8
Switzerland	8
Denmark	6

Source: Joint Economic Committee.

The table indicates that only four countries, including one member of the Common Market (Germany), have a lower average tariff than the United States. This being the case, it may be asked why the many benefits (in particular, the expected tariff concession by other countries) which are alleged to follow a program to reduce tariffs have not as yet become apparent?

What is clear is that the existing low level of U.S. tariffs gives our negotiators relatively little leeway in making future concessions for the purpose of getting other countries' tariffs against the United States reduced. A representative example of the difficulty which confronts us here is the tariff on automobiles. Our import duties on foreign automobiles were reduced recently from 8.5 percent to 6.5 percent in exchange for a much-touted reduction by the EEC group of automobile duties from a proposed high of 29 percent to 22 percent. The actual duty paid by U.S. automobile exporters to Germany and to the Benelux countries, to which the bulk of our automobile exports go, has been 18 percent but will be increased to 22 percent under the new common external tariff of the EEC. Is it likely that reduction of our tariff from 6.5 percent to zero, for example, will bring a reduction of the EEC tariffs from 22 percent to zero?

It would be naive to expect such more-than-proportionate reciprocity from the Common Market group. This being so, the implications of lowered U.S. automobile tariffs are disturbing in the extreme. Demand by Americans for European vehicles is already relatively intense as compared with European demand for American vehicles which is slack. Further lowering of our tariffs on foreign automobiles will bring these close to zero and increase the already significant U.S. demand for such imports. A proportionate lowering of European duties would still leave exports of U.S. vehicles handicapped by a substantial tariff obstacle, not to mention the discriminatory use taxes and horsepower taxes imposed on American vehicles in European markets.[4]

But there is no guarantee that even proportionate reciprocity will be forthcoming from the Common Market. It is certainly no secret that the lowering of duties amongst the Common Market countries and the simultaneous raising of external tariffs against outsiders is aimed at creating a mass

[2] Wilhelm Roepke is the internationally respected German-Swiss authority on European trade problems.

[3] Wilhelm Roepke, "Zahlungsbilanz und Nationalreichtum," in Gegen die Brandung (Erlenbach-Zurich: Eugen Rentsch Verlag, 1960), pp. 306–312.

[4] Facts to keep in mind in connection with the American automobile industry are that in 1951 American automobile firms produced 72 percent of the world's total output of passenger vehicles. In 1959, this share was only 48 percent. (Source: George Romney, quoted in Wall Street Journal, Dec. 19, 1960.)

market in which the economies of scale of mass production—heretofore a U.S. monopoly—will become possible. Moreover, this economic unification and consolidation is viewed only as a way station on the road to the more substantial goal of political unification. It is thoroughly unrealistic and unreasonable to suppose that the Common Market countries, out of their sheer love for the United States and a desire to help us retain our economic primacy, will veer away from their stated economic and political objectives. It is not to be expected, in short, that our friends abroad will be willing to pull American balance of payments chestnuts out of the fire. George Washington's wise words are worth recalling in this connection: "There can be no greater error than to expect or calculate upon real favors from nation to nation. It is an illusion, which experience must cure, which a just pride ought to discard." (Farewell address.)

The truth is that the Common Market has a good thing going and will indubitably strive to keep it going. This is an uncomfortable prospect in some ways, so uncomfortable that many of us will wish we had not been so precipitate in encouraging and supporting the closed economic bloc (as contrasted with the original more broadly conceived free trade area) which is now emerging. But it is a prospect which realism requires us to entertain. One of the strangest and most paradoxical omissions in H.R. 9900, in the judgment of our committee, is its almost total failure to make provision for genuine trade reciprocity. This omission is naive and it is dangerous.

IV

Even if these guarantees of full reciprocity in tariff reductions by other countries are obtained; even, to use an extreme case, if other countries were to reduce their tariffs to zero, are there other factors involved which would hold back U.S. export growth? The truth of the matter is that it is not primarily foreign tariffs which are keeping our goods out of foreign markets. Large categories of American goods are noncompetitive in the world's markets, even where they have no tariffs or other trade barriers to hurdle. In the production of these commodities, other countries simply have lower unit costs than we do, primarily due to their substantially lower wage costs. And in those commodity areas where superior American capital endowment and productivity still gives us an edge, in spite of our wage scales, the trends indicate that the U.S. advantage is diminishing, that is, European capital endowments in these areas are increasing substantially. The resulting cost reductions which will be realized will be intensified to the degree that increasing economies of scale are achieved, as will certainly be the case in the European Common Market.

The hope that foreign wage levels will rise and thus make U.S. goods more competitive is at once unrealistic and cynical. It is unrealistic because wages in Germany, for example, are already at inflationary levels, causing great concern to the authorities there, and because the amount of increase in German wages (which are now about 27 percent of average earnings in U.S. industry) needed to bring about equality would be enormous and completely unacceptable to the Germans. Thus, last year, German labor costs increased about 10 percent while U.S. labor costs increased only 5 percent. But a 10-percent increase of a 75-cent wage is only 7½ cents an hour while a 5-percent increase of a $3 wage is 15 cents an hour. This gap may be closed over a period of years; it certainly will not be closed in the near future. The hope placed in foreign wage rate increases is cynical because the assumption is that other countries should have inflation merely because we have not had the fortitude or the determination to put an end to it.

It is worth remembering that the unusual political stability of West Germany and her resulting very substantial contribution to the stability and strength of the whole free world is due in no small measure to the single-minded and largely successful German fight against inflation in all its forms. Does our rescue from the consequences of our own homemade inflation require that one of the most dependable of our allies permit the erosion of the monetary foundations of its economic and social order?

But it is above all domestic inflation in the United States, and its continued toleration, which will tend to cancel out any increased price advantages our goods may enjoy in foreign markets due to reduced foreign tariffs (assuming our tariff reductions are fully matched abroad). Where U.S. inflationary pressures are greater than those abroad, and this is especially true today in respect to the Common Market group of countries, U.S. producers will tend to concentrate their selling efforts in the domestic rather than in the foreign market. They will do so because, given the relatively high level of domestic costs and the associated relatively high level of domestic incomes, sales in the home market yield more profit than sales abroad. Pep talks to American businessmen to interest themselves in the "vast opportunities" abroad cannot substitute for the fundamental economic motivations for enterprise, whether at home or in foreign markets. But domestic inflation dampens these incentives. Exports fall off in this situation because the interest in foreign markets diminishes and other countries are increasingly able to undersell and outsell us in third markets. In addition, otherwise exportable resources are diverted to American home consumption because of the inflationary expansion of domestic demand. Conversely, imports tend to rise in a context of inflation, both because they may be more competitive costwise than comparable domestic products and because, apart from price-level differences, they serve to fill "the inflationary gap" (which occurs when the total monetary claims on a nation's resources exceed what is available to satisfy them).

Occasionally, it is asserted that inflation can hardly be the cause of our present international economic difficulties since the U.S. cost of living (the most commonly used barometer of inflation) has not moved up significantly faster than this same index in the countries now drawing off our gold, e.g., West Germany. The answer is that the movement of the cost-of-living index (or of other similar indexes) only very imperfectly and partially reveals the extent of domestic inflation. Indeed, it is perfectly possible for severe inflation to coexist with price stability. For inflation need not, though it often does, take the form of rising prices. Inflationary pressures emerge in the first instance where the economy's liquidity, i.e., the total monetary claims on its resources, is increasing disproportionately to the rate of increase of real, i.e., physical product.

For such overliquidity (or latent excess demand) two principal escape valves, apart from increased saving, are available: (1) A rise in prices, which offsets or absorbs the increased liquidity, and/or (2) an increase of imports over exports, which has the same effect. It is precisely our foreign deficits—the excess of imports over exports[5]—which, together with whatever price rises have occurred, reveal the full measure of our homemade inflation. Domestic price stability is no proof by itself of domestic economic virtue.

V

H.R. 9900 is concerned to increase exports, but it makes no attempt to come to grips with a major and continuing cause of the U.S. balance-of-payments deficit, viz, the outflow of private capital. It is necessary, however, that the causes of this large and rapid outflow of funds from the United States be analyzed and acted upon if the deficit is to be brought under control. The outflow of private capital is, like the relative diminishment of our export surplus, not unrelated to the domestic inflation of costs, prices, and incomes. Entrepreneurs everywhere seek to invest their capital in projects which will yield the highest return. But returns will tend to be higher—other things being equal—where costs, especially wages, are lower. While there is in principle no reason to be concerned at the outflow of private capital from a country so plentifully endowed with it as the United States, the close dependence of employment upon capital—the instruments of production—cannot be overlooked.

Capital outflow, where it occurs in sufficiently large amounts and rapidly enough to depress opportunities for employment of domestic labor, is something about which one has a right to be alarmed, particularly where the outflow is occurring because inflation makes it uneconomic to invest in the home country. It is ironic that the same persons who lament the "slack" in the domestic economy tend to favor precisely that course of action—the toleration of inflation for the sake of alleged growth—which is creating the slack by forcing domestic capital into foreign enterprise.

This is not intended to imply that we should raise artificial barriers to the export of American capital or in any other way interfere with freedom of investors to place their money wherever they choose. In this light, it is our contention that to impose a discriminatory tax on undistributed earnings from foreign investments would be a mistake. It would not stop the outflow as such for the bulk of this capital is not going abroad for tax advantages. It is going abroad because costs of production abroad are substantially lower than in the United States. If American firms withdrew from foreign production operations, the repatriated capital would not necessarily be used to expand American production of the commodities in question. Rather, foreign firms would move in to fill the vacuum left by the departed American concerns. The competition of American subsidiaries abroad, that is to say, is not with U.S. producers of the same commodities. It is with other foreign producers. A punitive tax on U.S. earnings abroad would place U.S.-owned firms at a tax disadvantage with their real competitors abroad.

What is important is that conditions within the domestic American economy which are giving rise to what may be an unhealthy large capital outflow should be corrected. It is hard to see how our international accounts can be brought into better balance until these issues and the need for internal reforms which they imply are faced and effectively dealt with; it is, however, even more difficult to see how drastic reductions in tariffs will enable us to deal with them.

VI

In sum, U.S. inflationary pressures coupled with a probable lack of full reciprocity by other countries in tariff reductions make it likely that the Nation will experience an increase not of exports but of imports. Two important consequences may be expected from such a net increase in imports: (1) The disemployment of domestic labor and other factors; (2) the aggravation of the U.S. balance-of-payments deficit.

[5] Exports are defined here as all transactions which give rise to U.S. claims against other countries; imports are defined as all transactions which give rise to foreign claims against the United States.

There can be no question but that with a significant portion of the labor force already unemployed and with the existing substantial amounts of unused industrial capacity, a further deliberate disemployment of domestic factors would be a reckless course of action. For this would slow down our already low rate of economic growth, demoralize the labor force, and reduce the output of the economy precisely at a time when the fullest possible mobilization of our potential is required. The adjustment assistance portion of H.R. 9900, which is intended to deal with expected dislocations, represents, in our judgment, a vast and ill-considered scheme to substitute bureaucratic government administration of business for the private enterprise system. If the adventures of the U.S. Government in agricultural adjustment and assistance are any criterion of what may be expected in this field, the prospect of having such a system applied even more extensively throughout the economy must arouse deep misgivings. Our committee strongly urges the most serious consideration of the ultimate implications—in terms of cost, efficiency, and of survival of the free enterprise system—of a nationwide dole system, such as the proposed legislation envisages.

Even if exports were to increase pari passu with imports, the problems created by the need to transfer resources disemployed by imports to the export industries could be severe. Indeed, not all resources now employed in producing for home consumption are so transferable. Certain tools, certain machines, certain factories, certain workers are suited to do one thing only. No amount of adjustment assistance will avoid the losses, possibly substantial, that would be suffered here. It is in any case clear that too sudden disemployment of domestic factors of production, such as would ensue from large and extensive tariff reductions accomplished in a short period, would cause a catastrophic disruption of existing patterns of consumption, production, and employment. It is on this account that our committee strongly urges that the staging requirements of the present bill be strengthened; reduction in duties should be limited in amount to a reasonable figure, say 5 percent a year. This would allow at least some time for a cushioning of the impact on the economy of the inevitable structural dislocations of reduced tariffs.

VII

What is of deepest concern to our committee is not alone the longrun structural consequences of the radical change in our tariffs proposed in H.R. 9900, but the short-run balance-of-payments effects of the anticipated increases in imports. It is these effects, as we are all aware, which demand attention as never before. Clearly, increases in imports at this time, where not accompanied by rises in exports (and such rises, as we have seen, are based on pure hypothesis) can only enlarge our already alarming payments deficit and aggravate the outflow of gold. In the first 2 months of this year alone, the United States experienced net gold losses of $152 million, bringing the total gold stock of the Nation to an alltime low of $16.7 billion. For its part, continental Europe increased its monetary gold reserves (excluding dollar assets) to $18 billion, thereby clearly displacing the United States as No. 1 in monetary strength. Moreover, European gold stocks are mostly free of short-term liabilities; the U.S. stock, however, is doubly mortgaged, both by the statutory 25 percent gold cover requirement (over $11 billion) and by foreign short-term claims in excess of $21 billion.

The crucial question is: How much larger can the cumulative deficit become and how much more gold can flow out before international confidence in the dollar, already on very shaky foundations, collapses, and the pressures leading to a devaluation of the dollar become irresistible? The latter occurrence, it seems fair to assume, would be both a national and an international catastrophe. If our reasoning is correct, the proposed legislation, far from helping to cure the ills of the dollar, may have shortrun consequences—an inrush of imports—which could precipitate a flight from the dollar and thereby wreck the monetary foundations of the free world. The alleged gains from the proposed tariff reform legislation are too small and too uncertain by far to justify the assumption of risks of such magnitude.

VIII

To sound the trumpets of tariff reform as is now being done, appears courageous on the surface. And it is very popular. Who wants to be called a protectionist? In fact, it is taking the line of least resistance, politically and economically. For such action, and the spirit of righteousness with which it can be undertaken, becomes a substitute for facing up to the real issues: the need to undertake internal reforms, to end domestic inflation, to put a stop to wage increases which make our commodities increasingly noncompetitive in world markets, and to establish strict priorities in Federal spending to the end that deficits of the Federal budget shall be avoided.

Since there is no formally stated intention to accompany tariff reforms with these vital internal reforms, we believe the passage of H.R. 9900 to be fraught with danger to the Nation.

We object especially to the sweeping powers granted to the President to reduce or eliminate at his sole discretion any or all remaining tariffs on U.S. imports, without review or supervision by Congress. The effect of this would be to substitute arbitrary Executive discretion for rule of law in what is a critical area of national life. The President is also authorized in the proposed legislation "to proclaim such increases in or imposition of, any duty or other import restriction" as he wishes. This means that the incumbent President or some future President could raise tariffs as well as lower them, or impose new tariffs, or subject imports to any kind of other restriction or control he deemed necessary. As someone has remarked, this section of H.R. 9900 is the granddaddy of all escape clauses.

By granting such drastic powers to the President, which he could use either for protectionism or free trade, the Congress in effect would be abandoning its sovereignty in matters upon which in the present conjuncture, a very large part of the national welfare is dependent. In the area of tariff reduction, the consequences of any given action are not easy to predict and to estimate; if mistakes are made, the damage to the Nation could be considerable and irreparable. Hence, we strongly urge that any legislation which is enacted provide for adequate review by Congress of the President's actions in this field. We urge, finally, that the grant of powers be in any case limited to 2 rather than 5 years. This will provide each new Congress a chance to examine the record and to determine if changes in the program are indicated.

OUR RECOMMENDATIONS

1. The Federal budget should be balanced (by economies in nondefense spending) with the purpose of ending debt-monetization and inflation; for inflation raises prices, stimulates imports, reduces exports and employment, and reduces our gold reserves.

2. Our tax structure should be thoroughly overhauled to provide adequate incentives for the modernization of American plant and equipment. The tax burden should be shifted as far as possible from the producers of income and wealth to the consumption and trade sector of the economy. In West Germany's economy, to take that one outstanding example of rapid and steady growth and full employment, more than three-quarters of total tax revenues are derived from consumption taxes and business turnover taxes, less than one-quarter from direct taxes on income and wealth.

In the United States, the tax burden is distributed in an exactly opposite ratio, with three-quarters of the tax revenue derived from direct taxes on income and wealth and one-quarter from consumption and use taxes. We have enjoyed a high-consumption economy as a result, but by the same token we have seriously dampened the incentives that make for growth and prosperity in a free society. We must gain a new appreciation of the truth, long since learned by heart by our European competitors, that it is more important to increase the size of the national cake than to quarrel about the more equal distribution of any smaller cake.

3. Foreign aid funds should be expended in the United States to the maximum extent practical; they will naturally tend to be spent in the United States if domestic inflation is stopped and our goods and services are made otherwise competitive with those elsewhere.

4. Annual productivity gains of U.S. industries should be used primarily to reduce prices, thereby stimulating consumption and employment, encouraging exports, and increasing the real wages and incomes of all our people.

5. The President should have the authority, with congressional review made mandatory, to negotiate elimination of all trade barriers (not merely tariffs) in amounts and at a rate which will not jeopardize our own economic development and the maintenance of an adequate Defense Establishment.

We believe that the overriding obligation of the President and the Congress and of all citizens is to do what is necessary to activate the full and unquestionably enormous economic potential of the United States. In doing this, we must abandon the techniques and the catchwords which were designed especially for the depression phase of our economic history and which have dominated policymaking in the United States in the postwar era.

We must adopt a radically new approach, such as was adopted originally in West Germany, and is now being applied in the other Common Market countries and in Japan, and the results of which are visible to all. It is a "grand illusion" to believe that by knocking down a few already low tariffs we are going to solve all the problems of the U.S. economy at home and abroad. The benefits of H.R. 9900 have been extravagantly overadvertised, in our opinion. Free trade is fine but it cannot save the world. Free trade did not save Europe from the cataclysm of World War I, nor did it insure the economic dominance of Great Britain, the first free trade nation. Other more powerful and elemental forces are at work in the world than the law of comparative advantage, valuable though this be. It is the anti-inflationary and anticollectivist free enterprise systems now rising around the world which are challenging our long dominance of the international economy. If these forces are to be met successfully, then they must be met on their own terms, viz., by adjustments of our internal economic and monetary policies, not by the mere manipulation of our tariffs.

Tariff reductions coupled with the internal reforms we have specified and within the context of the new approach we have mentioned could go far toward restoring to the United States the economic primacy in the free world which it rightfully deserves. Tariff reductions of the sort envisaged in H.R. 9900 which are applied without the needed internal reforms could spell disaster both internally and internationally.

APPENDIX

(List of those subscribing to "a declaration of principles," submitted to the House Committee on Ways and Means on April 9, by Prof. Patrick M. Boarman, Bucknell University)

The "declaration of principles" on foreign trade policy has been subscribed to by the following economists without qualification:

1. James Washington Bell, professor emeritus, Northwestern University, Evanston, Ill., presently secretary, American Economic Association.
2. Herman H. Beneke, professor emeritus, Miami University, Oxford, Ohio.
3. Prof. Patrick M. Boarman, Bucknell University, Lewisburg, Pa.
4. Prof. Frederick A. Bradford, Lehigh University, Bethlehem, Pa.
5. Prof. Lewis E. Davids, University of Missouri, Columbia, Mo.
6. Prof. L. E. Dobriansky, Georgetown University, Washington, D.C.
7. Prof. Roy L. Garis, University of Southern California, Los Angeles, Calif.
8. Prof. Harold Hughes, West Virginia Wesleyan College, Buckhannon, W. Va.
9. J. H. Kelleghan, economic consultant, Chicago, Ill.
10. Prof. Donald M. Kemmerer, University of Illinois, Urbana, Ill.
11. Prof. Russell M. Nolen, University of Illinois, Urbana, Ill.
12. Prof. Clyde W. Phelps, University of Southern California, Los Angeles, Calif.
13. O. Glenn Saxon, professor emeritus, Yale University, New Haven, Conn.
14. Prof. Arthur Sharron, C. W. Post College, Long Island University, Brookville, N.Y.
15. Charles S. Tippetts, professor emeritus, University of Pittsburgh (now residing in Oxford, Md.).
16. Prof. J. B. Trant, Louisiana State University (now vice president Guaranty Life Insurance Co.), Baton Rouge, La.
17. Edward J. Webster, professor emeritus, American International College, Springfield, Mass. (now residing in Sarasota, Fla.).
18. Prof. G. Carl Wiegand, Southern Illinois University, Carbondale, Ill.
19. Prof. Ivan Wright, University of New York City, New York, N.Y.
20. Hudson B. Hastings, professor emeritus, Yale University.

QUAKER CITY AIRWAYS

Mrs. MAY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROUSSELOT] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Washington?

There was no objection.

Mr. ROUSSELOT. Mr. Speaker, on March 13, 1962, I placed an affidavit of three pilots, namely, Albert B. Cross, Donald Crose, and John A. Tyson, in the CONGRESSIONAL RECORD—see pages 4021–4022. I stated that affiants were former pilots of Quaker City Airways, doing business as Admiral Airways. It has has been brought to my attention that affiants were employed as pilots by Admiral Air Service. As far as I can determine, Admiral Air Service is not connected with Quaker City Airways. Affiants state in their affidavits that they were employed by Admiral Airlines. To my knowledge, Admiral Airlines and Admiral Airways are not one and the same.

In all fairness, I wish to correct what appears to be an error on my part.

EQUAL EDUCATIONAL OPPORTUNITY FOR ALL CHILDREN

The SPEAKER pro tempore (Mr. PRICE). Under previous order of the House, the gentleman from New York [Mr. SANTANGELO] is recognized for 60 minutes.

Mr. SANTANGELO. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SANTANGELO. Mr. Speaker, a measure of a nation's worth is the care and attention it devotes to the education of its young people. We cannot expect great traditions to last if they are not passed on to succeeding generations. We cannot expect technological advances and gigantic scientific strides to form the basis for ever-greater accomplishments if we do not provide our young people with the intellectual tools for progress. And we certainly cannot expect the philosophical foundation of freedom to stand if we do not assure that our youth can interpret and respect these basic tenets.

Education is the basis of progress. It is the beginning of hope. It is the end of discrimination. It is the creator of ideas and the destroyer of superstition. It is the father of wisdom and the son of experience. Appreciation for it is age-old. Aristotle, the Greek philosopher, was asked how much educated men were superior to those uneducated: "As much," he said, "as the living are to the dead." And as much, I would add, as the free to the enslaved.

I have a reverence for education instilled in me by a father, who, while possessing no formal education, had wisdom and practical experience. He taught his 10 children, all of whom went through public schools and colleges, that without education, our opportunities and horizons are limited. He taught us that learning was the key to understanding, advancement, and success.

Mr. Speaker, I know I need not acquaint my colleagues in this House with the basic reverence for education that has characterized our country's development. But I wish to acquaint them with a grave crisis that threatens to stultify and eventually destroy a significantly important segment of our educational system: the private parochial school.

In the current vicious battle being waged against Federal aid to parochial schools, the question of constitutionality has arisen as the pivotal argument. There are those who say that any aid to parochial schools is unconstitutional, that it violates the principle of separation of church and state.

Mr. Speaker, I wish to state unequivocally that it is my sincere belief that not only is aid to parochial schools constitutional—but to deny such aid is contrary to the basic principles of our country.

If this country is truly sincere about its intention to solve the educational crisis that confronts us, then it is time to make a rational appraisal of this problem.

Opponents to aid to private schools use as the basis for their arguments article 1 of the Bill of Rights, which reads:

> Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech or of the press; or the right of the people peaceably to assemble and to petition the Government for a redress of grievances.

I submit, Mr. Speaker, that the use of this article to justify discrimination against parochial schools is distortion, complete disregard of history, and an unwarrantedly narrow interpretation of language. To oppose Federal aid to private schools because of a notion that such aid violates constitutional provisions ignores history, misreads court decisions, and disregards existing church-related Federal programs.

Our Constitution is an uncommon document, for it was written by uncommon people who came to this country under uncommon circumstances. If they were overly fearful of government, it was because they came to America to escape tyranny—to search for the right to live as they please—to worship as they please—to raise their family in dignity. If they feared a state church, it was because they came from countries dominated by one church, intolerant of the tenets of any other belief. They came to America because they were a proud people, zealous of the right to enjoy human dignity, the right to exercise individual responsibility and the right to choose.

They who had been denied equality were determined to assure equality. They who had been forbidden to worship as they chose were determined to assure this right in perpetuity. They who had been discriminated against were determined to end forever any and all base for discrimination.

The Constitution is clear in saying that the Government shall pass no law respecting an establishment of religion or the free exercise thereof. This constitutes a clear prohibition against a state church and a clear assurance of religious freedom. But is it in line with this time-honored and dearly bought principle to so discriminate against a religion as to destroy one of its principal beliefs: parochial education?

If Federal aid to education is limited to public schools only, the principle of equality will be violated and the principle of religious freedom will be trammeled.

I support vigorously a Federal aid to education program that provides assistance to private and church-related schools as well as to public schools.

To listen to the outraged cries of those opposed to aid to parochial schools, one would think this is an entirely new problem—one that had never been even thought of before, let alone been implemented. This is a deliberate propaganda device. There are at present better than 50 educational programs which provide assistance to public and private education and church-related institu-

tions. I call the attention of my colleagues and the American public to the following list of major programs which are receiving funds:

NATIONAL DEFENSE EDUCATION ACT PROGRAMS

Student loans: Since 1958, the Federal Government has been financing loans to needy college students. The Federal loan funds are available to nonprofit colleges operated by churches, as well as to other types of institutions.

Graduate fellowships: The Government finances 1,500 fellowships each year for advanced study by college graduates, who may attend denominational colleges if they choose.

Private-school loans: Federal loans are made to private elementary and high schools for purchase of equipment to strengthen their teaching of science, mathematics, and foreign languages. Church affiliation is no bar.

Research and training: Several programs provide Federal financing for various types of research and special training for teachers in both private and public colleges.

VETERANS' ADMINISTRATION

Schooling for war veterans: For veterans of World War II and the Korean war, the Federal Government has provided payments to finance their education. At first, tuition payments were made directly to the school attended—and denominational schools were included. The present program makes payments directly to the veteran, who pays his own tuition at the school of his choice.

Vocational rehabilitation: Training is purchased by the Government from educational institutions of all types for rehabilitating disabled war veterans.

War orphans: Children of war veterans who died of service-connected causes are given payments by the Government to obtain college or vocational education.

AGRICULTURE DEPARTMENT

School lunches: Federal funds for school lunches are made available to elementary and high schools without regard to their religious affiliation.

Milk: Funds of the Commodity Credit Corporation provide low-cost milk to schoolchildren.

HOUSING AND HOME FINANCE AGENCY

College housing: The Housing and Home Finance Agency makes loans to both private and public colleges and hospitals for construction of student housing.

PUBLIC HEALTH SERVICE

Hospital grants: The Government contributes to the cost of constructing hospitals.

Health training and research: Federal funds go into grants and fellowships for research and training in the field of public health.

VOCATIONAL REHABILITATION

Grants and fellowships: Federal funds help finance projects for research in vocational rehabilitation at educational institutions. Federal fellowships finance special study in this field. There is no bar on church-supported schools.

SOCIAL SECURITY ADMINISTRATION

Cooperative research: In financing cooperative projects for social security research, no discrimination is made against institutions with religious affiliation.

Crippled children: Grants are made for projects in the field of services for crippled children and maternal and child health, with no discrimination against sectarian institutions.

ATOMIC ENERGY COMMISSION

Nuclear studies: Federal funds are given educational institutions to acquire reactors and other nuclear equipment. For students of nuclear physics, there are fellowships. No sectarian bars are raised.

NATIONAL SCIENCE FOUNDATION

Science education: To foster education and research in science, there are grants, fellowships, and institutes, without regard to religious factors.

STATE DEPARTMENT

Student exchanges: Schools with religious affiliation are used for student-exchange programs with other countries, with the cost financed by the Federal Government.

DEFENSE DEPARTMENT

Training and research: The Department of Defense has a number of training and research programs which finance activities at a variety of institutions of higher learning.

SPACE ADMINISTRATION

Grants for research: Federal funds for space research have gone to schools with religious affiliation.

It would seem completely obvious then that there are certain forms of assistance which are completely within the bonds of constitutionality. Why, then, do we seem unable to devise a program of aid to meet the crisis within our educational system? If we are concerned about constitutionality, we have only to turn to the opinion of a distinguished constitutional lawyer, Arthur E. Sutherland, written in response to a letter from our distinguished Speaker, the gentleman from Massachusetts, JOHN W. MCCORMACK, and printed in U.S. News & World Report of April 3, 1961. This opinion indicates that there is no constitutional objection to Federal aid to private schools.

DEAR CONGRESSMAN MCCORMACK: This letter I write in answer to the request from your office for my views on the constitutionality of Federal legislation providing long-term loans of public funds alike to public and nonprofit private schools, for school purposes generally, even where the private schools aided are in many instances connected with or controlled by a church.

What I say in this letter is related solely to the issue of constitutionality. Quite different considerations arise in debate on legislative policy, or in marshaling reasons which might underlie the Presidential veto of any legislative measure.

A Senator or a Representative has many responsibilities in the preparation of legislation in addition to those of compliance with the Constitution. Much legislation that could be within the constitutional power of the Congress may still be unwise and undesirable.

For the purposes of this letter, then, I assume, for example, a measure providing loans on terms similar to those provided by title 4 of the Housing Act of 1950, 12 U.S.C. section 1749 and following.

Suppose that the Congress should be convinced that better elementary and secondary education was necessary to the general welfare of the United States, to its capacity to produce necessary scientists and technicians to aid in our national defense, and to produce the necessary educated men and women to conduct our complex Government and private economic system.

The Congress might consider that our children and youths must look to the elementary and secondary schools in this country for a firm grounding in such basic building blocks of education as an accurate and understanding use of the English tongue; elementary mathematics; the history of the United States and its neighbor nations; some knowledge of the geographical fundamentals of the United States and of the rest of the world, and of our own resources and those for which we depend on other nations; a reasonable familiarity with the structure of our National and State governments, with our constitutional ideals and practices; some knowledge of the basic principles of the sciences on which we depend more and more for existence; and some acquaintance with some of the languages used by our friends of other countries. The Congress might also be impressed by the useful technical skills taught in many of our school systems.

Suppose, further, that the Congress should decide to promote the national welfare in aid of these educational objectives by making loans for, say, 50 years, at not more than 2¾ percent interest to such of our public and private nonprofit schools alike as attain reasonable standards. Would these loans violate the Constitution of the United States if a large number of the private schools to be aided should be church schools, including in their curriculums, not only such standard in their curriculums not only such standard instruction in the doctrines of a religious faith?

The principal constitutional clauses which bear on this question are article I, section 8, clause 1, which provides that—

"The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States," and clause 18 of the same section:

"To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof."

This general grant of power is to some extent limited by various other clauses. The one here relevant is in the first part of the first amendment:

"Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof."

This portion of the first amendment contains two quite different provisions. The last six words eliminate from possible congressional power any law "prohibiting the free exercise" of any religion. Such a restriction is not relevant to this letter. I hear of no proposal for compulsory participation in religious exercises, nor for compulsory abstention from, or penalty for, religious exercises. Such a measure would raise considerations quite different from those discussed in this letter.

The only question you put to me, as I understand it, is whether the Congress is devoid of constitutional power to make such long-term loans as I have described because they would be provided in a statute which should be considered a "law respecting an establishment of religion."

A DIFFICULT INQUIRY

Relevant to this study are several possible sources of information. One of these concerns the frame of mind of the Senators and Congressmen who proposed the first amendment, and that of the State legislators who ratified it. This is a difficult inquiry; the men involved were very numerous; the records of their motivation are not complete; different men may well have been prompted by different ideas; and one who engages in this research may begin to doubt whether the Congress in 1961 should have its powers delimited by an uncertain guess at the frame of mind of men who lived 170 years ago.

Another source of guidance as to the meaning of the establishment clause is study of the decisions handed down by the Supreme Court of the United States. Under our system that Court has the last word in constitutional construction, but judgments on "establishment" are hard to find.

Justices of the Supreme Court, in the course of opinions, have on various occasions expressed ideas having a general connection with "establishment"; but American lawyers traditionally draw a rather sharp distinction between those things which a court actually decides, and those expressions made by the way, obiter dicta [incidental opinion], off the immediate issue, not directly involved in the adjudication.

Thus the Everson case, which arose under the 14th amendment, presented an issue described by Mr. Justice Black in the Court's opinion as follows—the case involves schoolbus fares:

"The only contention here is that the State statute and the resolution, insofar as they authorized reimbursement to parents of children attending parochial schools, violate the Federal Constitution in these two respects, which to some extent overlap:

"First. They authorize the State to take by taxation the private property of some and bestow it upon others, to be used for their own private purposes. This, it is alleged, violates the due-process clause of the 14th amendment.

"Second. The statute and the resolution forced inhabitants to pay taxes to help support and maintain schools which are dedicated to, and which regularly teach, the Catholic faith. This is alleged to be a use of State power to support church schools contrary to the prohibition of the 1st amendment which the 14th amendment made applicable to the States."

The majority of the Court found no constitutional obstacle preventing this reimbursement for bus transportation. But, in his opinion, Mr. Justice Black also wrote:

"The establishment-of-religion clause of the first amendment means at least this: Neither a State nor the Federal Government can set up a church. Neither can pass laws which aid one religion, or prefer one religion over another. Neither can force nor influence a person to go to or to remain away from church against his will or force him to profess a belief or disbelief in any religion. No person can be punished for entertaining or professing religious beliefs or disbeliefs, for church attendance or nonattendance. No tax in any amount, large or small, can be levied to support any religious activities or institutions, whatever they may be called, or whatever form they may adopt to teach or practice religion. Neither a State nor the Federal Government can, openly or secretly, participate in the affairs of any religious organizations or groups and vice versa. In the words of Jefferson, the clause against establishment of religion by law was intended to erect a wall of separation between church and state."

While all lawyers properly pay respect to such dicta, still, statements of this sort, not directly relevant to the decision of the Court, do not carry the weight, as precedent, of an actual adjudication.

FEW COURT RULINGS "DIRECTLY RELEVANT"

A third source of guidance can be found in the decisions of the Congress and the President of the United States appearing in the enactment and approval of legislation. Members of the Congress and the President are, of course, bound by oath to support the Constitution, and they conscientiously carry this out. Hence their judgment, expressed in the enactment or approval of legislation, properly has weight as precedent, particularly where, as in the field we are discussing, there is very little judicial decisional matter directly relevant.

I shall in this letter briefly discuss these three sources of constitutional material: the opinions of the sponsors of the first amendment; judicial opinions; and legislative enactment and Presidential approval as an indication of constitutionality.

The subjective intentions of the congressional draftsmen of the first amendment and of the State legislators who ratified it are not clear. In 1789, when the Congress proposed the Bill of Rights, favored religions were supported by taxation and other measures in a number of States. Massachusetts continued such tax support until 1833.

The members of Congress who proposed the first amendment had before them as an example of establishment the "established church" in England; they knew or could have known of controversies over tax support for churches in various States.

Part of the motivation for the first 10 amendments, which took effect in 1791, was a desire to protect "States rights," as appears from the terms of the 10th amendment.

Some who favored the first amendment may have thus desired to protect their existing State support for a favored church from Federal interference by a "law respecting an establishment of religion." Others may have felt an opposition to any and all governmental intervention in religion. But the earliest Congresses provided for chaplains in the U.S. Army; the earliest legislators must have recognized that no completely tight wall was possible between church and state.

The words of the first amendment are not explicit on federally supported schools. It would be difficult, and probably not useful, to guess at whether the people who 170 years ago proposed and ratified the establishment clause would have thought it forbade the suppositious school loan bill I have described.

Adjudications of the Supreme Court on Federal legislation challenged under the establishment clause are hard to find. I here do not refer to such obiter dicta as I mention earlier in this letter, but to adjudications on the merits. Perhaps the small number of such adjudications can in part be explained by the doctrine in the Federal courts that a Federal taxpayer, not otherwise affected by an act of Congress, has no standing in court to argue that the statute is unconstitutional.

There are a few cases which approach the problem of this letter, though none is precisely in point.

There are a few cases discussing the constitutionality of "establishment" by a State, after the enactment of the 14th amendment in 1868. I have already mentioned the Everson case, which upheld New Jersey payments for bus transportation of parochial pupils equally with others. In Mr. Justice Black's opinion in that case sustaining the constitutionality of the payment, the Court stressed its concern for the safety of schoolchildren on the highways.

The case could be thought of as upholding the New Jersey statute authorizing the payments, on the ground that the State legislature primarily considered the benefits to the children, not the benefit to the parochial school which was only incidental to the other primary objective.

Another case involved provision by the State of Louisiana of lay textbooks for children in parochial as well as public schools. This was *Cochran* v. *Louisiana Board of Education*. Citizens and taxpayers in Louisiana brought suit in the State courts in an effort to enjoin Louisiana officials from paying out State moneys for this purpose. The plaintiffs argued that this violated the 14th amendment in that private property was taken by the State and used for private purposes, that it was so taken "to aid private, religious, sectarian, and other schools not embraced in the public educational system of the State by furnishing textbooks free to the children attending such private schools." The Supreme Court upheld the State statute providing for the textbooks.

Pointing out that, among the books, none was adapted to religious instruction, the Court held that the taxing power of the State was exerted for a public purpose. "The legislation does not segregate private schools or their pupils as its beneficiaries or attempt to interfere with any matters of exclusively private concern. Its interest is education broadly; its method, comprehensive. Individual interests are aided only as the common interest is safeguarded."

WHEN RELIGION WAS TAUGHT IN ILLINOIS

Some mention should here be made of the opinions in *Illinois ex rel. McCollum* v. *Board of Education*. Here a parent of a child in the Champaign, Ill., public schools, the parent being also an Illinois taxpayer, succeeded in enjoining a program under which teachers of religion not paid by public funds of any Illinois municipality came into the public schools each week, for 30 or 45 minutes depending on the grade, to give religious instruction on the school premises to children of their respective faiths. Children not desiring to participate were allowed during that period to go to other places in the school building to pursue secular studies.

Mr. Justice Jackson, writing a special concurring opinion in the McCollum case, pointed out that here, unlike the Everson case, there was no showing of any resulting measurable burden upon the complaining taxpayer. He points out that perhaps the religious classes might be said to add some wear and tear on the public buildings and they should be charged with some expense for heat and light, but he adds that the cost was neither substantial nor measurable and "no one seriously can say that the complainant's tax bill has been proved to be increased because of this plan."

To sustain the jurisdiction of the Court in the McCollom case, recourse might be had to the personal embarrassment imposed upon the child for whom the parent spoke. The boy was obliged to dissent from his classmates, to claim exemption from religious instruction, in their presence, to embarrass himself by being different.

The McCollom case therefore can be thought of as presenting a case of individual hardship imposed on a schoolchild, on religious grounds, which is quite a different thing from a religious objection put forward when no one is individually harmed.

One ends with the conclusion that the Supreme Court of the United States has never held that a loan, such as that in the statute which I outline above, would be in excess of congressional powers because of the first amendment. Insofar as actual adjudication on State statutes is concerned, the Everson and Cochran cases indicate the contrary. It may be significant that in those cases the aim of the legislation was not religious indoctrination but the safety and the lay educational advancement of the schoolchild, the aim which I assume the Congress would have if it were to provide for such loans.

Congressional and executive action furnishes more precedents concerning Federal aid which includes religious schools than can be found in judicial determinations.

A number of Federal statutes make grants of Federal funds in aid of some educational end, and include among the proposed recipients of distribution nonprofit private institutions which may be under sectarian control. Instances are more numerous above the high school level than at or below it.

Grade-school children get the benefit of funds distributed under the National School Lunch Act. Under this legislation, if the State is barred by its laws from distributing funds to nonprofit private schools of any category, the United States may distribute funds directly to such nonprofit private schools.

The National Defense Education Act of 1958 provides for loans of Federal funds to elementary and secondary schools, including private schools of a nonprofit character, for the purpose of equipping these schools with scientific and modern-language instructional equipment. Congressional committee reports on this legislation show the purpose of the Congress to increase the excellence of education in subjects thought necessary in our defense and foreign relations efforts.

Title IV of the Housing Act of 1950 provides for loans of Federal money for a period up to 50 years, at a rate of interest of 2¾ percent or less, to provide "housing and other educational facilities for students and facilities" at any public or nonprofit private educational institutions, if it offers at least a 2-year program leading toward a baccalaureate degree. These loans, thus, by the terms of the statute, go to institutions above the high school level, but the distinction in principle between a junior college and a senior high school is not entirely clear.

The United States is authorized by legislation to make grants for reactors to "institutions or persons." The United States provides scholarship funds to various classes of deserving students; these funds in due time come to the institutions which the students attend. The GI bill of rights is a familiar example. Also familiar, so much so that it goes almost unnoticed, is the Federal provision of Reserve officer training programs leading to Army, to Air Force, and to Navy commissions. Many of these programs are in effect at colleges and universities under the control of religious orders.

WHAT AID PROGRAMS HAVE IN COMMON

Certain common characteristics are observable in all this legislation.

In the first place, it does not make grants or loans to churches, religious missions, etc. The benefits go either to students or to institutions training students; the benefits go to public and private institutions alike; they go to private institutions regardless of their religious or nonreligious affiliation. The religious affiliation of a school or college receiving a loan, or of a school or college to which students resort under scholarships, is therefore incidental and is not singled out by the Federal legislation.

In the second place, there is in each of these pieces of legislation an observable end other than the cultivation of religion. Federal funds go to strengthen the Armed Forces, to build up our national scientific or linguistic capabilities, or, as in the grants under the Housing Act of 1950, to build up our educational system generally.

The comment might be made that in none of these instances is there a Federal loan or grant of money to an institution to be spent however the institution sees fit, or to be spent as the institution sees fit except for religious instruction. This fact is notable; but perhaps the distinction between existing Federal provisions and an across-the-board benefit is more apparent than practical.

Suppose, for example, a junior college with limited funds, needing essential faculty housing and student dormitories. A 50-year Federal loan for such prescribed building under the Housing Act of 1950 would release the college's funds for other purposes. Some of the college's general funds which otherwise would necessarily be used for student housing might then be available for religious instruction. An elementary or secondary school needing science and language equipment, but with a limited budget, has funds released for general educational purposes when the United States provides funds for scientific and linguistic purposes.

It seems to me that a congressional loan such as that outlined earlier in this letter, to raise the standard of instruction in basic lay educational subjects, might well in its terms exclude the direct expenditure of its funds for religious or sectarian purposes. But the indirect effect on a sectarian school would, however, be to release for general purposes some funds perhaps otherwise used for lay instruction. This possibility has not in the past inhibited the Congresses which passed such legislation as I have mentioned, or the Presidents who approved it. No governing distinction is apparent to me between these legislative precedents and the hypothetical measure which I described at the beginning of this letter.

During the mid-1930's, many writers sharply criticized the American doctrine of judicial review of the constitutionality of social and economic legislation enacted by the Congress. None of that criticism was directed against unconstitutionality on "establishment" grounds. Indeed, I know of no case in which the Supreme Court ever has held any act of Congress invalid as a "law respecting an establishment of religion."

IT WOULD BE UPHELD

As the school-aid legislation I here discuss would not impair any person's free exercise of religion, it would have to be judged as a question of ultra vires [exceeding legal authority]. The absence of any ultra vires holding on Federal legislation by the Supreme Court since 1936 increases my feeling that, if in some way such a school-aid statute could be brought before that Court, it would be upheld.

The subject is long and complex. The effect of the relevant constitutional provisions is not clear and evident; it must be guessed at, as a matter of emphasis and degree. But, assuming that the existing Federal aid to education is constitutional—which seems to me a reasonable assumption—the distinction between these existing programs and the proposal which I discuss is not sufficiently evident to persuade me that a measure providing for long-term loans of the character which I have described, to aid education in basic lay subjects, would conflict with the provisions of the first amendment.

Respectfully yours,

ARTHUR E. SUTHERLAND.

The National Catholic Welfare Conference has completely dissected the legal aspects of this problem and in an extensive brief released in December of last year, proved that aid to Catholic education was not only constitutional but logical.

At this point, Mr. Speaker, may I submit to this House a synopsis of that brief.

SYNOPSIS OF NATIONAL CATHOLIC WELFARE CONFERENCE LEGAL DEPARTMENT STUDY—"THE CONSTITUTIONALITY OF THE INCLUSION OF CHURCH-RELATED SCHOOLS IN FEDERAL AID TO EDUCATION"

A careful examination of relevant decisions by the Supreme Court of the United States reveals that there is no constitutional bar to the inclusion of church-related schools in general programs of Federal aid to education. On the other hand, the exclusion of church-related and other private nonprofit schools from the secular educational benefits of any comprehensive programs of Federal aid would point the way to government monopoly of education and to a resultant uniformitarian society.

The precise question to which this study is addressed is: May the Federal Government, as part of a comprehensive program to promote educational excellence in the Nation, provide secular educational benefits to the public in private nonprofit schools, church-related as well as nondenominational? Three related questions are not treated: The basic constitutionality of Federal aid to education; the constitutionality of Federal aid to education exclusively in public schools; and the constitutionality of Federal aid to religious instruction.

While no conclusion is expressed respecting the desirability, in principle, of large-scale Federal aid to education, it is clear that it would be both needful from the viewpoint of national policy and lawful from the viewpoint of constitutionality to assist the secular aspects of education in church-related schools if such large-scale Federal aid should be undertaken.

The specific conclusions to which this study comes are as follows:

1. Education in church-related schools is a public function which, by its nature, is deserving of governmental support.

2. There exists no constitutional bar to aid to education in church-related schools in a degree proportionate to the value of the public function it performs. Such aid to the secular function may take the form of matching grants or long-term loans to institutions, or of scholarships, tuition payments, or tax benefits.

3. The parent and child have a constitutional right to choose a church-related educational institution meeting reasonable State requirements as the institution in which the child's education shall be acquired.

4. Government in the United States is without power to impose upon the people a single educational system in which all must participate.

Considerations respecting policy: As President Kennedy has indicated, it is in the national interest that every American child have the opportunity for an education of excellence. But it is also in the national interest that our Judaeo-Christian moral heritage be preserved, along with the freedom to acquire education in diverse, non-State institutions. Herein lies the unique public value of our church-related schools. While our great public school system—built by men of all faiths—should receive the particular interest (as it does the financial support) of those who are dedicated to church-related schools, it is also true that the immense public contribution of the latter schools should be better known.

These schools were the original source of American popular education. Far from deviating from the American educational tradition (which was one of hospitality to religious values) they stand at the very core of that tradition. Today, Catholic schools (the largest of the groups of our church-related schools) are providing education (recognized by the States as meeting essential citizens needs) to 4½ million elementary school children and 1 million high school children—or around 13 percent of the total school population of the Nation. In 19 States whose school population represents half that of the Nation, Catholic schools are providing education to 18.6 percent of all children in elementary and secondary schools. For the year 1960 alone, the Catholic educational system saved American taxpayers $1,800 million.

However, one of the principal public benefits attributable to the Catholic schools is not economic but social. Typically, the Catholic schools are a meeting place for children of different economic and ethnic backgrounds and have usually not been located according to de facto zoning which divides neighborhoods racially. They have

historically proved an invaluable training ground to prepare citizens for full participation in a pluralist society. Their graduates are found everywhere in American life, contributing commonly with all other citizens, to the welfare of the American society.

If, as seems true in the current educational crisis, all of the country's means of education should be utilized to their fullest extent, then (unless constitutional considerations dictate to the contrary) sound policy requires that if the Federal Government offers large-scale aid to education, this should include education in private, nonprofit schools, church related as well as nondenominational.

Considerations respecting constitutionality: Constitutional considerations fully support these policy requirements. The provisions of the Federal Constitution chiefly involved in discussions of Federal aid to education in church-related schools are the religion clauses of the first amendment and the due process clause of the fifth amendment. Historically, it is clear that the Founding Fathers did not and would never have written into their Constitution any clauses which would be aimed at sterilizing all public life and institutions of religious content. Opponents of aid to church-related education, however, rely principally on the language of the first amendment that "Congress shall make no law respecting an establishment of religion." When this clause was drafted it was understood to mean that Congress could not create a national church or give any religion a preferred status. This "no establishment" clause was aimed at preventing governmental transgressions upon religious liberty and not at preventing all relationships—even certain cooperative relationships—between church and state. Certainly it was never understood to mean that religious institutions which perform public services are disqualified to receive compensation for them through the governmental organs of the society which has benefited by the services. Neither was it understood to mean that government may proffer its assistance to the health and education of our citizens only through secularized governmental institutions. No decisions of the U.S. Supreme Court contradict these last-stated points; in fact, the Supreme Court decisions which are closely relevant support them.

There are three decisions of the Supreme Court which relate to the constitutionality of aid providing by government for the accomplishment of public welfare objects through church-related institutions. Not only do none of these decisions hold such aid providing unconstitutional, they all flatly affirm its constitutionality. These decisions are *Bradfield* v. *Roberts*, 175 U.S. 291 (1899), *Cochran* v. *Board of Education*, 281 U.S. 370 (1930), and *Everson* v. *Board of Education*, 330 U.S. 1 (1947). The Bradfield case held that the appropriation by Congress of money to a Catholic hospital, as compensation for the treatment and cure of poor patients under a contract, did not constitute an appropriation to a religious society in violation of the no establishment clause. The Court expressly disavowed the view of those who brought the suit, that religious institutions performing public functions cannot, on account of the no establishment clause, be aided by government.

The Cochran case established that the use of State funds to provide secular textbooks for all school students, including those in church-related schools, is constitutionally justifiable as an expenditure for a public purpose.

The Everson case held constitutional a New Jersey statute which provided that reimbursement to parents might constitutionally be made out of public funds for transportation of their children to Catholic parochial schools on buses regularly used in the public transportation system. The underlying principle of the case is: that Government aid may be rendered to a citizen in furtherance of his obtaining basic citizen education, whether he obtains it in a public or a private nonprofit school. It should be noted that the Supreme Court stated in Everson that "no tax in any amount, large or small, can be levied to support any religious activities or institutions." Some commentators have said that this statement was mere dictum in the case, while some others have said that it meant that Government may not constitutionally support public welfare objects accomplished in church-related institutions. Both are plainly incorrect. The statement was part of the basic reasoning in the majority opinion. And it must be read in the light of what the Court actually decided in the case, namely, that it is constitutional to pay for school bus service to citizens at public expense, in order to enable them to acquire the secular benefits of education, regardless of whether they attend public or private (including church-related) schools.

Two further Supreme Court decisions, widely cited in controversy over Federal aid to education in church-related schools, are *McCollum* v. *Board of Education*, 330 U.S. 203 (1948), and *Zorach* v. *Clauson*, 343 U.S. 306 (1952). Each dealt with the constitutionality of "released time" programs in the public schools and so is not in point with respect to the present discussion of aid providing by government, save insofar as each contains comment upon the general meaning of the "religion" clauses of the first amendment. The McCollum case involved a released time program conducted on the public school premises and carefully integrated into the public school program; this was held unconstitutional. The Zorach case involved an unintegrated program conducted off the public school premises, and this was held to be constitutional. Since the majority opinion in the McCollum case spoke three times of the first amendment's creating a "wall of separation between church and state," some commentators believed that the Supreme Court had stated a doctrine of absolute separation of church and state and that the way had now been prepared for the liquidation of fruitful relationships between government and religion which had been the American experience of 160 years. The decision of the Court 4 years later in Zorach proved these commentators wrong.

In Zorach the Supreme Court made it clear that the concept, derived from the first amendment, of separation of church and state was not to be taken in any absolute sense. The Court stated that "we are a religious people," and that religion and government may in various ways cooperate.

Neither the McCollum nor the Zorach case constitutes in any sense precedent against the kinds of possible aid to education in church-related schools here under discussion.

A third group of Supreme Court decisions relevant to this discussion is *Meyer* v. *Nebraska*, 262 U.S. 390 (1923) and *Pierce* v. *Society of Sisters*, 268 U.S. 510 (1925). These involved the all-important rights of free choice in selecting education institutions. The Meyer case involved the violation, by a teacher in a Lutheran parochial school, of a State statute making it a crime to teach in any elementary school any language other than English. The U.S. Supreme Court reversed the conviction, stressing that there are three groups of rights which the Constitution protects against unreasonable intrusion by the state: those of the child, the parent, and the teacher. The Court struck forcefully at the view that all educational rights belong to the state, and it said that the desire of the legislature to "foster a homogeneous people" could not be fulfilled at the expense of liberties guaranteed by the Constitution.

The landmark case of *Pierce* v. *Society of Sisters* involved an expanded recognition of parental and child rights in education. Here an Oregon statute (which had been promoted by the Ku Klux Klan and some allied groups) required that parents send their children only to public schools. The plan of the statute was to "Americanize" all children in what was described as the "public school melting pot." Protestants, Jews, and Catholics rose in opposition to the scheme. The Supreme Court of the United States ruled the statute unconstitutional as denying parental and child rights freely to choose education in nonpublic (including church-related) schools. The Court said that the legislature could not give the state a monopoly over education. Most significantly it said:

"The fundamental theory of liberty upon which all governments in the Union repose excludes any general power of the state to standardize its children by forcing them to accept instruction from public school teachers only. The child is not the mere creature of the state."

The Meyer and Pierce cases thus strongly underscore the protection with which the American Constitution jealously surrounds individual rights in education. Each stresses child-parental rights and by clear implication attacks the concept of the statist culture which would result from the permitting of government monopoly of education.

Legislation as constitutional precedent: In addition to the historical tradition and Supreme Court decisions, legislative precedent should be consulted as a guide to the constitutionality of a program of Federal aid to education in church-related schools. The judiciary is not the sole branch of Government charged with the duty of judging the constitutionality of legislation. The legislature must itself carefully make such judgments. No stronger answer is to be found to the argument that no aid may be afforded education in church-related schools than the fact that the Congress has in numerous ways over the years deliberately provided such aid. A list of 41 such programs—all, by the way, consisting of grants to church-related institutions—was issued on March 28, 1961, by the Department of Health, Education, and Welfare. One of these programs, the Surplus Property Act of 1944, has resulted in 488 grants of land and buildings to religious-affiliated schools belonging to 35 different denominations.

Having thus considered present questions of policy and, in addition, the governing constitutional law, some consideration should be given to probable future consequences of programs of massive Federal aid to public education which would exclude church-related education. The predictable result would be a critical weakening of the latter, presaging the ultimate closing of many church-related schools. Since, de facto, most parents would no longer enjoy the freedom to send their children to church-related schools, therefore practically speaking the freedom of parent and child protected by the Pierce decision would have been rendered meaningless.

Moreover, a practical governmental monopoly of education would result. This would not only dangerously transform our free, pluralistic society but would also pose the most serious problems respecting freedom of belief. Freedom of belief would be endangered by the fact that virtually all children would be compelled to attend State-run schools. Values are inculcated in all schools, not only in those in whose curricula specific ethical or social concepts are advocated, but also in schools whose curricula distinctly omit such concepts. For the person whose conscience dictated the choice of a church-related school, here as a matter of practicality would be the result discountenanced in McCollum: coercion to

participate in schooling, the orientation of which is counter to belief.

The present argument over aid to education has unhappily become overclouded by opinions which have tended to engender the belief that the problems here involved are to be solved by simple, absolutist interpretations of the Constitution and by generalizations based thereupon. Ours, however, is a Constitution of rationality, not one of absolutes which paralyze social action. The problems here involved are predominantly practical: no constitutional bar exists to the aid herein described to education in church-related schools. Constitutionally proper forms may be found in which such aid may be given. Practicalities, not slogans, should govern the determinations to be made—determinations which give clear recognition to the rights of parents, the rights of children, the enlargement of freedom, and the preservation of the Nation.

Mr. Speaker, I believe we can establish without doubt that the current fight over aid to private schools is not based on substantial grounds. There can be aid to both public and private schools. I call your attention to my bill, H.R. 9887, which I introduced on January 24, and sets out what I feel to be an equitable solution to this problem. My bill would authorize a 2-year program of financial assistance for all elementary and secondary school children in all of the States. It would provide $828 million for fiscal year beginning July 1, 1962, and $936 million for fiscal year beginning July 1, 1963. The bill provides for equal educational opportunities for every American child regardless of race, color, or religious belief. It preserves the parent's freedom of choice in education and recognizes that our system is a pluralistic system.

My bill authorizes an annual grant for financial assistance for each child attending school, whether public or private. For children attending public schools, grants would be issued to the local school agency of the political subdivision in which the school is located. In the case of a private-school child, the grant would go to the parent or legal guardian and would be honored for payment only when endorsed by the payee of the school of the pupil's attendance, and then endorsed by an authorized official of that same institution. The title of my bill is cited as the School Children's Assistance Act of 1962.

Perhaps the worst facet of this battle of words and emotions over aid to private schools is the harm it is doing to our children.

With every day that passes without a constructive solution, we chip away another section of the foundations of education.

With every day we permit schools to be on half sessions, classrooms to be crowded, buildings to deteriorate, we endanger that much more the preservation of our way of life.

With every slogan, such as "separation of church and state," that is used to further delay educational progress, we lose another skirmish in the cold war.

It is time to separate these slogans and myths from the facts. It is time to remember that we neither want a state church—or a state form of education. It is time to remember that we glorify our pluralism. We do not want homogeneity. We do not want to penalize the individuality or freedom of choice.

It is time to remember that all children must be properly educated. We cannot refuse to arm them for the increasing complexities of this world—just because they happen to go to a church-related school.

Mr. Speaker, we are engaged in a world battle that will be won by education. The victor will be the ideology that can perpetuate itself—and communicate its messages to the world. To do this, we must step up our drive to assure educational excellence. We must stop this bickering over an issue that has no basis. We must have an effective program to aid education that does not discriminate against private and church-related schools. My bill shows a way. Let us take the road to equality of education and opportunity for all children in our beloved country.

GENERAL LEAVE TO EXTEND

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members have permission to extend their remarks during general debate today on the bill H.R. 11289.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

CENTENNIAL ANNIVERSARY OF THE JOHN HANCOCK MUTUAL LIFE INSURANCE CO.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. O'NEILL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. O'NEILL. Mr. Speaker, at a time when American democracy and our system of free enterprise are being severely tested in a rapidly changing world, it is reassuring to take inventory of those long-established institutions which have survived previous challenges and lent the country much of its strength.

I think it is appropriate to invite the attention of my distinguished colleagues to the fact that this month one of these great companies—whose headquarters are situated in my native Commonwealth of Massachusetts—has reached its hundredth year of business life.

Like most firms, the John Hancock's beginning was modest. Founded by a group of Boston merchants and bankers on an investment of $104,000, its first office was a single room housing a handful of employees. At the close of its initial business year, policyholders numbered 287, and its uncommitted cash reserve stood at $913.

Today, operating from a home office building a city block square and agencies in all 50 States, the company serves some 12 million policy owners and invests their funds in every corner of the Nation at an average rate of more than $2 million a day.

Between these century marks lies the history of the United States itself. As it grew and prospered, suffered setbacks, met its crises, fought its wars, and developed its resources, so also did the John Hancock and other companies of the same era.

In 1862, when the Hancock was established, life insurance benefits were out of reach for the majority of workers whose income of $300 to $500 a year limited them to the bare daily necessities. For thousands of uninsured families the future was a bleak prospect involving broken homes, orphaned children, public charity or, at best, already overburdened kin.

As industry rose and the living standard advanced, insurance companies were able to help the individual provide a measure of security for his family by making coverage available to the blue collar worker on a weekly, pay-as-you-earn basis. Need for such a plan was evidenced by experience of the John Hancock, which became the first mutual firm to inaugurate a program. More than 36,000 subscribers applied for industrial life insurance in the 2 years following its introduction in 1879.

With the opening up of the West, in which the company was a pioneer investor, the boom was on. Manufacturing and production leapt ahead in response to expanding markets, and, together with the rest of the insurance industry, John Hancock was a catalyst for growth.

Since that time billions of dollars have been funneled into our vast enterprise—railroads, farms, factories, highways, commercial and residential construction, research projects—in fact, almost any area in which development capital has been needed. Between 1948 and 1960, life insurance companies supplied more than half the new money required for expansion by the country's business and industrial concerns.

Equally important, the life insurance industry has encouraged the widespread thrift essential to fiscal stability, helping the economy to meet the stress of depression and disaster. Meanwhile, the basic function of life insurance protection has broadened to include accident and health benefits, group, annuity and retirement programs, and medical care for the aged.

On April 23, some 25,000 John Hancock people will gather at 94 dinners across the Nation to celebrate their company's entrance into its second century. Perhaps the most fitting expression of their understandable pride is implicit in a statement of basic philosophy by the company's president, Byron K. Elliott:

The individual's self-reliance and responsibility for freedom from economic dependence—his own and others; this is what the John Hancock was born to foster, this is what it exists to serve.

To this corporate good neighbor and very fine citizen, I believe that best wishes are in order for another century.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MARTIN] may

extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I should like to join my colleagues in felicitations to the John Hancock Mutual Life Insurance Co. on the completion of its first hundred years of service to the Nation.

In the finest tradition of the Revolutionary patriot whose signature has become a symbol of our country's independence, the John Hancock, together with many other fine companies, has helped translate this ideal into an instrument for the freedom from financial dependence for millions of American families. In this connection I understand that, in 1961 alone, the company paid out more than one-half billion dollars in benefits to its policy owners.

As a trustee of public savings, a steward of individual security, and an investor in the development of our economic resources, I submit that the John Hancock's contribution to the advancement of both the Commonwealth of Massachusetts and the Nation at large has been of incalculable significance.

Personally, I have had a small policy in the John Hancock Co. for over 70 years and I know what a sound, solid institution it is.

Under the able leadership of its aggressive president, Byron Elliott, I am sure it will forge ahead to new triumphs of achievement in the years ahead.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. BOLAND] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BOLAND. Mr. Speaker, I am pleased to join with my colleagues from Massachusetts in tipping our legislative hats to the John Hancock Mutual Life Insurance of Boston, Massachusetts on the occasion of its 100th anniversary.

This centennial observance underscores a remarkable advance by a truly great American enterprise from its beginning in 1862 to this year of 1962. John Hancock's impression in the life insurance industry has been as indelible and emphatic as the great name it so gloriously bears. Its rise has been spectacular. Today, it is placed as the 5th largest life insurance company in the world. Its record of service to its policyholders has been, is, and will continue to be a proud and outstanding one. It maintains its preeminent position in the great insurance field by a constant concern for its policyholders and a continuing application of sound business principles.

Mr. Speaker, no private business could have reached the heights that John Hancock Mutual Life Insurance has reached without a dedicated and devoted organization of men and women. From the small beginning of 100 years ago to the present day, John Hancock has been blessed with this kind of spirit among the people who have contributed to its great success.

I congratulate Judge Byron Elliott who has presided over the affairs of this company for the past 5 years and who has to date given 26 years of service to it. I extend my best wishes to the men and women of the John Hancock organization on the occasion of the anniversary of their great company. I am proud to note this event and express the sincere hope that the John Hancock Mutual Life Insurance Co. will continue to prosper and remain a great force for good in Boston, in Massachusetts, and in the Nation.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. CONTE] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CONTE. Mr. Speaker, I would also like to confer my congratulations to the John Hancock Mutual Life Insurance Co. on the occasion of its 100th anniversary on April 21.

To countless men and women throughout our country, the John Hancock Co. represents fulfillment of the basic tenets of our democracy by encouraging independence, thrift, prudence, and individual responsibility. It is indeed a tribute to this institution that it has existed for 100 years—never faltering from its position of the highest integrity and responsible leadership among our great business institutions.

That a company which has fostered such leadership during the last century should bear the name of the first Governor of Massachusetts—John Hancock—a man of courage, self-reliance and patriotic devotion to his country, is highly appropriate.

For contributing so much to the business segment of our country, for stimulating the Nation's economy by directing policy owner funds into business enterprise, and for providing a model of public service and leadership during a century of great achievement, the John Hancock Mutual Life Insurance Co. deserves our best wishes on this memorable 100th anniversary.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Subcommittee on Merchant Marine of the Committee on Merchant Marine and Fisheries have permission to sit during general debate tomorrow.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

THE LITTLE-PEOPLE-TO-LITTLE-PEOPLE PROGRAM

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. MORGAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MORGAN. Mr. Speaker, during the years it has been my honor and privilege to serve on the Foreign Affairs Committee, I have many times had the occasion to observe how much the cause of peace could be served if only a means could be found to increase understanding and promote friendship on a people-to-people basis.

We have seen how false and misleading propaganda emanating from their own officials has given people in the Iron Curtain countries a distorted and incorrect picture of American aims, aspirations and objectives. When we try by official means to correct these impressions we know that much of what we do is discounted as propaganda on our part.

It is for this reason that we have tried to supplement our Voice of America broadcasts by a number of other activities to give the people abroad a better and more accurate picture of what Americans are really like. Over the past few years our efforts have been augmented by our efforts to increase personal contacts between Americans and citizens of other countries. These activities have included the student exchanges under the Fulbright-Hays Act, the leadership grants under which we bring leaders to the United States and give them an opportunity to see our country, meet a number of our people and gain first-hand impressions about our way of life. This effort to provide a mutual increase in understanding is back of our stepped-up programs to stimulate language studies and official sponsorship of such institutions as the Center for Cultural and Technical Interchange Between East and West, popularly known as the East-West Center.

All of these efforts are necessarily limited in scope, and we can hope only to reach a small percentage of the people we would like to have gain accurate and favorable impressions about America. It is for that reason that I am particularly pleased to add my own word of commendation for the plan originated by my distinguished colleague, the Honorable PETER W. RODINO, JR., who is fostering a little-people-to-little-people program. Congressman RODINO for a long time has been very active in promoting contacts between Americans and individuals in other countries for the purpose of increasing mutual understanding and good will. I well remember his highly successful activities in connection with personal contacts on a city-to-city basis and a people-to-people basis. His new program was inaugurated by a letter written by Mr. RODINO's 10-year-old son, Peter Rodino III, to Premier Khrushchev asking him to stop the nuclear bomb testing in the interest of the health and safety of people all over the world.

Peter Rodino's letter has stimulated countless other children to write Khrushchev in similar fashion. How much good this will do is doubtful but it can

do no harm and the effort is worthwhile, especially as Congressman RODINO's real purpose is to foster and encourage the writing of letters by American children to children in other countries.

At the present time Congressman RODINO is busily engaged in the process of gathering names of individuals and groups in foreign countries with whom correspondence can begin.

Naturally, Congressman RODINO does not expect that such a program of letter exchanges between little people of different countries can immediately produce results strong enough to overcome the chief obstacles to a better understanding of American ideals and aspirations. Congressman RODINO is a realistic idealist who visualizes the program inaugurated by his splendid young son as an important and highly progressive step in the right direction, one which supplements existing activities and one which, if carefully sustained and followed, can make a real contribution toward attainment of that better understanding between peoples upon which conditions of world stability must be built.

In the exchange of such correspondence between little people, I see opportunities for a healthy and worthwhile gain for the American children who correspond, as well as with those who will be the recipients of their letters. We have ourselves much to gain by the additional knowledge that will come to our young people through such personal communications and the stimulus they will serve for learning more about the conditions under which other people live in distant places.

As one who is convinced that the little-people-to-little-people program has a great potential for good, I extend my heartiest commendation to Congressman PETER RODINO and my best wishes for success in his patriotic efforts.

CENSURE OF ISRAEL

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BUCKLEY] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BUCKLEY. Mr. Speaker, I have today sent the following telegram to the Honorable Dean Rusk, Secretary of State:

Hon. DEAN RUSK,
The Secretary of State
Washington, D.C.:

I am appalled at the action of the American delegation at the United Nations sponsoring the Security Council resolution condemning Israel and completely failing to reflect the facts of persistent Syrian provocations, the constant Arab threats to liquidate Israel, boycott its commerce, trespass on Israel's territory and threaten the peace-loving citizens of that democracy.

Whatever rights are enjoyed by the member States of the United Nations belong to Israel without addition or diminution. Whatever obligation any member State owes to another, the Arab states, and certainly Syria, owes to Israel. If Syria, by persistent attacks on Israel's sovereignty, denies to that democracy the plenitude of its charter rights, then it inflicts deep injury on Israel. Israel's competence to invoke Security Council action aganist Syria is seriously compromised and reduced.

Under the charter, Syria is bound to regard Israel as a state endowed with sovereignty equal to its own. It is bound to respect the territorial integrity and the political independence of the state of Israel, and especially to refrain from the use of force against that integrity and that political independence. Syria failed completely by its provocation to carry out the letter of the United Nations Charter. Israel undertook security measures in the exercise of its inherent right of self-defense.

Mr. Secretary, I find it incomprehensible that the American delegation failed to distinguish between acts of aggression and self-defense. Not for one single moment throughout the entire period of its national existence has Israel enjoyed that minimal physical security which the United Nations confers on all member states and which all other member states have been able to command.

Time after time, this deplorable situation has been brought to the attention of the State Department, but to no avail as witness the action of the American delegation in the Security Council. Mr. Secretary, beyond these incidents, grave as they are, I discern issues of even greater moment. Our Government must surely choose between two candidates for its confidence; on the one hand, the men, women, and children of Israel building a democratic society and culture in its renascent homeland; and on the other hand, the warlike Arabs who have set their armed might upon Israel in an attempt to wipe it off the face of the earth, by armed intervention, by murder and plunder. The Arabs blare forth the most violent threats of Israel's destruction and accumulate vast armaments for bringing this about.

This is aggression, this is belligerency, in the Middle East and Israel has been its victim, and not its author.

Mr. Secretary, Israel and the Arab States, the region in which they must forever live, now stands at the crossroads of its history. Our signpost is not to back aggression and belligerency, but to favor peace. Whatever Israel is now ordered to do, Syria and its Arab brethren must have in their counterpart a reciprocal duty to give Israel the plenitude of its rights.

The horizon must be of peace by agreement, peace without blockades in the Gulf of Aquaba or the Suez Canal, peace without frontier provocations, peace without constant threats to the integrity and independence of Israel and without military activities directed against Israel's independence.

DISABLED AMERICAN VETERANS CITE CONGRESSMAN JAMES A. BURKE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. BOLAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BOLAND. Mr. Speaker, on April 14, 1962, at Brockton, Mass., the Disabled American Veterans cited Congressman JAMES A. BURKE for his outstanding work on behalf of the disabled veterans. At a testimonial banquet at the Elks Home in Brockton, over 300 citizens from all walks in life witnessed the presentation of a plaque to Congressman BURKE. I am very pleased to have this opportunity to relate this event to the Members of Congress who feel as I do that this award was truly merited. Congressman JIM BURKE has served his Nation, his State, and his community with devoted and dedicated service. During World War II he served as a special agent in military intelligence and was attached to the fighting 77th Infantry Division in the South Pacific. He was awarded four battle stars, the Bronze Star, the Bronze Indian Arrowhead, and several other decorations for his brilliant war record. The 77th Infantry Division was the amphibious division of the U.S. Army in the South Pacific and participated in more than nine beach landings under enemy fire. He learned firsthand of the hazards of war and the suffering that our war heroes went through during wartime. He has never forgotten his wartime buddies. As a member of the Massachusetts General Court he gave unstintingly of his time and effort in order to have legislation passed that would benefit the Veterans of World War II and of the Korean conflict. Over 32 laws are now on the statute books of Massachusetts as the result of his work as a member of the World War II Legislative Commission and also as House chairman of the Korean War Veterans Commission. Amongst these laws is the $200 million housing law that provided housing for over 20,000 veterans and their families, the adjustment payment to veterans of the Korean conflict, hospitalization, and several other laws benefiting all Massachusetts veterans and their families.

The invited guests were:

Hon. James F. Burke, State senator; Hon. Alvin C. Tamkin, Governor's councilor; Hon. F. Milton McGrath, mayor, city of Brockton; Peter G. Asiaf, State representative; George H. Burgesson, State representative; James R. Lawton, State representative; Paul M. Murphy, State representative; Francis R. Buono, national commander DAV; Dr. William Winick, director, Brockton VA Hospital; Boyd H. Bowers, State commander, DAV; Marjorie Feeley, State commander, DAV auxiliary; Henry M. Barry, commander, chapter No. 32, DAV; Hilma E. Migliaccio, commander, chapter No. 32, DAV auxiliary; Joseph R. Harold, State department, adjutant, DAV; Joseph Lawler, assistant director, Brockton VA Hospital; Robert McGillvary, secretary of Congressman Burke and, Kenneth G. Dalton, Brockton Enterprise news commentator.

The program of the evening was as follows:

Musical selections; processional, honored guests; invocation, John F. Barrett, chaplain, No. 32 DAV; national anthem; welcome, Clifton L. Haynes, chairman; toastmaster, Walter Morgan; presentation of guests; remarks, honored guests; remarks, George A. Wells, national second junior vice commander; presentation of James A. Burke.

Master of ceremonies, Walter Morgan; chairman, Clifton Haynes; cochairman,

Dr. William Winick; program committee, E. Richard Corey; tickets, Ralph S. Jumpe; hall and entertainment, Arthur Pigeon.

As a Member of the U.S. Congress the Honorable JAMES A. BURKE has supported legislation that would improve conditions in our veterans hospitals and he has consistently voted for bills that help solve the many problems our war veterans face.

REGULATION NEEDED FOR PRIVATE EMPLOYMENT AGENCIES IN THE DISTRICT OF COLUMBIA

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MULTER. Mr. Speaker, I have today introduced a bill, H.R. 11358, to license and regulate private employment agencies in the District of Columbia.

In a recent statement the Department of Labor commented on the unregulated activities of private employment agencies in Washington stating that "one of the most important reasons for regulating private employment agencies is to protect applicants against excessive fees." In Washington these fees are not regulated and abuses have occurred. This bill is designed to eliminate these abuses and others which occur in an area which seriously needs to be regulated. It closely follows the New York State law which was designated by the Department of Labor as being one of those which conformed to its major recommendations.

This bill should eliminate much of the litigation resulting from what are considered excessive fees.

The New York law on which my bill is based provides a maximum of 10 percent of a month's salary for domestic workers and unskilled laborers. For clerical and professional jobs the fee maximum ranges from 25 percent of a month's salary for jobs up to $225 a month to 60 percent of a month's salary for jobs of $400 or more a month. I incorporated that schedule in my bill, because I believe that it is fair and adequate.

One aspect of the private employment agency business that has disturbed me is the bringing into the District of domestics without regard to the consequences to the prospective employee. Many times the employment agencies will recruit domestic help far from the District without any clear prospect of employment for them and without any provision for their maintenance when they arrive here.

This bill provides that the agency must provide food and shelter for these prospective clients when they are brought here and that they must provide for their return transportation if they are not provided with jobs or if the term of employment does not exceed 30 days.

The present law which provides for the licensing of private employment agencies in Washington is much too general and needs modernization. It has not been reviewed since its enactment in 1932.

I do not pretend that this bill is the last word on the subject. It is intended for study, comment, and suggestion by the appropriate agencies of the District government and by those interested or affected by it. I will, however, press for action on it early in the next session.

UNANIMOUS-CONSENT REQUEST

Mr. FULTON. Mr. Speaker, on April 10, 1962, I was on official duty as congressional adviser on space to the U.S. mission to the United Nations. If I had been present, I would have voted "yea" for the rule for debate on H.R. 10788 under House Resolution 589.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. THOMPSON of New Jersey (at the request of Mr. ALBERT), for the remainder of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. SANTANGELO, for 15 minutes, on April 18.

Mrs. BOLTON, for 15 minutes, on April 18.

Mr. MATHIAS (at the request of Mrs. MAY), for 30 minutes, on Thursday, April 19, 1962.

Mr. DULSKI (at the request of Mr. MAHON), for 1 hour, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. NIX.

Mr. MEADER, the remarks he made during general debate in Committee of the Whole today and to include extraneous matter.

Mr. ALGER.

(The following Members (at the request of Mrs. MAY) and to include extraneous matter:)

Mr. PILLION.

Mr. SCHNEEBELI.

Mr. O'KONSKI.

Mr. VAN ZANDT.

Mr. AVERY.

Mr. CUNNINGHAM.

Mr. COHELAN (at the request of Mr. MAHON), in Committee of the Whole on H.R. 11289 and to include extraneous matter.

(The following Members (at the request of Mr. MAHON) and to include extraneous matter:)

Mr. ST. GERMAIN.

Mr. MONAGAN in two instances.

Mr. FISHER.

Mr. ANFUSO.

Mr. EVINS.

SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 683. An act to amend the Communications Act of 1934, as amended, by eliminating the requirement of an oath or affirmation on certain documents filed with Federal Communications Commission;

S. 1371. An act to amend subsection (e) of section 307 of the Communications Act of 1934, as amended, to permit the Commission to renew a station license in the safety and special radio services more than thirty days prior to expiration of the orignal license;

S. 1589. An act to amend the Communications Act of 1934 to authorize the issuance of radio operator licenses to nationals of the United States;

S. 2522. An act to defer the collection of irrigation maintenance and operation charges for calendar year 1962 on lands within the Angostura unit, Missouri River Basin project; and

S.J. Res. 147. Joint resolution providing for the establishment of the North Carolina Tercentenary Celebration Commission to formulate and implement plans to commemorate the three hundredth anniversary of the State of North Carolina, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on April 16, 1962, present to the President, for his approval, bills of the House of the following titles:

H.R. 8921. An act to provide for the annual audit of bridge commissions and authorities created by act of Congress, for the filling of vacancies in the membership thereof, and for other purposes;

H.R. 9751. An act to authorize appropriations during fiscal year 1963 for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes; and

H.R. 10700. An act to provide that section 3(b) of the Peace Corps Act, which authorizes appropriations to carry out the purposes of that act, is amended by striking out "1962" and "$40 million" and substituting "1963" and "$63,750,000", respectively.

ADJOURNMENT

Mr. MAHON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 24 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, April 18, 1962, at 10 o'clock a.m.

SUPPLEMENTAL REPORT OF EXPENDITURES OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS INCURRED IN TRAVEL OUTSIDE THE UNITED STATES

Mr. BURLESON. Mr. Speaker, section 502(b) of the Mutual Security Act of 1954, as amended by section 401(a) of Public Law 86-472, approved May 14, 1960, and section 105 of Public Law 86-628, approved July 12, 1960, require the reporting of expenses incurred in connection with travel outside the United States, including both foreign currencies expended and dollar expenditures made

from appropriated funds by Members, employees, and committees of the Congress.

The law requires the chairman of each committee to prepare a consolidated report of foreign currency and dollar expenditures from appropriated funds within the first 60 days that Congress is in session in each calendar year, covering expenditures for the previous calendar year. The consolidated report is to be forwarded to the Committee on House Administration, which, in turn, shall print such report in the CONGRESSIONAL RECORD within 10 legislative days after receipt. There is submitted herewith a supplemental report from the House Committee on Education and Labor:

Report of expenditure of foreign currencies and appropriated funds, Committee on Education and Labor, U.S. House of Representatives, expended between Jan. 1 and Dec. 31, 1961

[U.S. dollar equivalent or U.S. currency]

Name	Country	Lodging	Meals	Transportation	Miscellaneous	Total
Pucinski, Roman	United Kingdom	112.96	19.00	18.06	38.80	188.82
	France	108.63	28.00	17.00	62.00	215.63
	Germany	37.50	30.00	42.00	60.00	169.50
	Switzerland	67.37	30.00	50.00	40.00	187.37
	Italy	37.00	20.00	95.26	50.00	202.26
Brademas, John	Denmark-Germany	28.00	30.00	6.00	20.00	84.00
	Russia		60.00	60.00	84.00	204.00
	Denmark		18.00	6.00	8.00	32.00
	England	45.00	90.00	45.00	49.00	229.00
	Greece		76.00	32.00	48.00	156.00
Total		436.46	401.00	371.32	459.80	1,668.58

APR. 13, 1962.

ADAM C. POWELL,
Chairman, Committee on Education and Labor.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1948. A communication from the President of the United States, transmitting a draft of a proposed bill entitled "A bill to amend the Federal Reserve Act to adjust the terms of the Chairman and Vice Chairman of the Board of Governors of the Federal Reserve System, to increase the salaries of members of such Board, and for other purposes"; to the Committee on Banking and Currency.

1949. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Virgin Islands Corporation for the fiscal year ended June 30, 1961 (H. Doc. No. 392); to the Committee on Government Operations and ordered to be printed.

1950. A letter from the Secretary, Department of Health, Education, and Welfare relative to reporting a violation of administrative control of funds procedures in connection with the obligation of funds in excess of an allotment within an appropriation of this Department for the fiscal year 1961, pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 665); to the Committee on Appropriations.

1951. A letter from the Director, Office of Emergency Planning, Executive Office of the President, transmitting a draft of a proposed bill entitled "A bill to amend the provisions of title III of the Federal Civil Defense Act of 1950, as amended"; to the Committee on Armed Services.

1952. A letter from the Under Secretary of the Air Force, transmitting a draft of a proposed bill entitled "A bill to amend certain provisions of existing law concerning the relationship of the Coast and Geodetic Survey to the Army and Navy so that they will apply with similar effect to the Air Force"; to the Committee on Armed Services.

1953. A letter from the Postmaster General, transmitting the cost ascertainment report of the Post Office Department for the fiscal year 1961; to the Committee on Post Office and Civil Service.

1954. A letter from the Secretary of Labor, transmitting a draft of a proposed bill entitled "A bill to provide for assistance to States in the promotion, establishment, and maintenance of safe workplaces and work practices, thereby reducing human suffering and financial loss and increasing production through safeguarding available manpower"; to the Committee on Education and Labor.

1955. A letter from the Under Secretary of Commerce, transmitting a draft of a proposed bill entitled "A bill to amend title 23, United States Code, with respect to the mileage of rural delivery and star routes used as a factor in apportionment of Federal-aid primary and secondary funds"; to the Committee on Public Works.

1956. A letter from the Secretary of Labor, transmitting a draft of a proposed bill entitled "A bill to amend the Temporary Unemployment Compensation Act of 1958, to encourage early restoration of moneys made available to the States, and for other purposes"; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RIVERS of South Carolina: Committee on Armed Services. H.R. 11257. A bill to amend section 815 (article 15) of title 10, United States Code, relating to nonjudicial punishment, and for other purposes; without amendment (Rept. No. 1612). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. S. 1139. An act to amend the act granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact relating to the waters of the Little Missouri River in order to extend the expiration date of such act; without amendment (Rept. No. 1613). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. S. 2132. An act to approve the revised June 1957 reclassification of land of the Fort Shaw division of the Sun River project, Montana, and to authorize the modification of the repayment contract with Fort Shaw Irrigation District; with amendment (Rept. No. 1614). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. H.R. 9647. A bill to authorize the Secretary of the Interior to enter into an amendatory contract with the Burley Irrigation District, and for other purposes; with amendment (Rept. No. 1615). Referred to the Committee of the Whole House on the State of the Union.

Mr. THORNBERRY: Committee on Rules. House Resolution 606. Resolution for consideration of H.R. 2206, a bill to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado; without amendment (Rept. No. 1616). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 607. Resolution for consideration of H.R. 6949, a bill to amend section 4(e) of the Natural Gas Act, to authorize a gas distributing company to complain about a rate schedule filed by a natural gas company and to give the Federal Power Commission authority to suspend changes in rate schedules covering sales for resale for industrial use only; without amendment (Rept. No. 1617). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 608. Resolution for consideration of H.R. 8031, a bill to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus; without amendment (Rept. No. 1618). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HALLECK:

H.R. 11339. A bill to authorize the improvement for navigation of Burns Waterway Harbor, Ind.; to the Committee on Public Works.

By Mr. BAILEY:

H.R. 11340. A bill to promote the security and welfare of the people of the United States by providing for a program to assist the several States in further developing their programs of general university extension education; to the Committee on Education and Labor.

By Mr. BARRETT:

H.R. 11341. A bill to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems in metropolitan and other urban areas, and for other purposes; to the Committee on Banking and Currency.

By Mr. ELLSWORTH:

H.R. 11342. A bill to amend the District of Columbia Traffic Act, 1925, to exempt certain officers and employees of the Senate and House of Representatives from the requirements of such act relating to the registration of motor vehicles and the licensing of operators when they can prove legal residence in some State; to the Committee on the District of Columbia.

By Mr. HAGEN of California:

H.R. 11343. A bill to direct the Secretary of the Interior to initiate a salmon and steelhead development program in California; to the Committee on Merchant Marine and Fisheries.

By Mr. HALPERN:

H.R. 11344. A bill to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of

comprehensive and coordinated mass transportation systems in metropolitan and other urban areas, and for other purposes; to the Committee on Banking and Currency.

H.R. 11345. A bill to amend the act of August 13, 1946, relating to Federal participation in the cost of protecting the shores of the United States and its territories and possessions; to the Committee on Public Works.

By Mr. HARVEY of Indiana:

H.R. 11346. A bill to amend the Federal Trade Commission Act, to promote quality and price stabilization, to define and restrain certain unfair methods of distribution and to confirm, define, and equalize the rights of producers and resellers in the distribution of goods identified by distinguished brands, names, or trademarks, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HÉBERT:

H.R. 11347. A bill to amend title 10, United States Code, to provide for the disposition of certain nationals of the United States in foreign countries who are alleged and determined to be of unsound mind, and dangerous to persons or property, and for other purposes; to the Committee on Armed Services.

H.R. 11348. A bill to amend title 10, United States Code, to provide for confinement and treatment of offenders against the Uniform Code of Military Justice; to the Committee on Armed Services.

H.R. 11349. A bill to provide for the discharge of minors who enlist in the naval service or the Coast Guard without consent of parents or guardian; to the Committee on Armed Services.

By Mr. HOEVEN:

H.R. 11350. A bill to authorize the Secretary of Commerce to approve a bridge on Interstate Highway 29 at Sioux City, Iowa, as part of the National System of Interstate and Defense Highways; to the Committee on Public Works.

By Mr. JENNINGS:

H.R. 11351. A bill to authorize and direct the Secretary of Agriculture to designate as national forest wonderlands certain areas of the national forests having outstanding scenic and recreational values, and for other purposes; to the Committee on Agriculture.

By Mr. McFALL:

H.R. 11352. A bill to direct the Secretary of the Interior to initiate a salmon and steelhead development program in California; to the Committee on Merchant Marine and Fisheries.

By Mr. McMILLAN:

H.R. 11353. A bill to amend section 25 of the act of October 30, 1951, to provide for refunds of certain amounts withheld from annuities payable under the Railroad Retirement Acts on account of joint or survivor annuity elections which were revoked; to the Committee on Interstate and Foreign Commerce.

By Mr. MAGNUSON:

H.R. 11354. A bill to amend the Tariff Act of 1930 to provide that limestone spalls, fragments, and fines may be imported free of duty; to the Committee on Ways and Means.

By Mr. MOULDER:

H.R. 11355. A bill to amend the act of March 4, 1907, to provide that the 16-hour limitation upon continuous duty for certain railroad employees shall apply to employees installing, repairing, and maintaining signal systems, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CLEM MILLER:

H.R. 11356. A bill to direct the Secretary of the Interior to initiate a salmon and steelhead development program in California; to the Committee on Merchant Marine and Fisheries.

By Mr. GEORGE P. MILLER:

H.R. 11357. A bill to direct the Secretary of the Interior to initiate a salmon and steelhead development program in California; to the Committee on Merchant Marine and Fisheries.

By Mr. MULTER:

H.R. 11358. A bill to license and regulate private employment agencies in the District of Columbia; to the Committee on the District of Columbia.

By Mr. PIKE:

H.R. 11359. A bill to amend the Agricultural Adjustment Act of 1938, as amended, to provide for marketing quotas on Irish potatoes through establishment of acreage allotments; to the Committee on Agriculture.

By Mr. ROUSH:

H.R. 11360. A bill to authorize the improvement for navigation of Burns Waterway Harbor, Ind.; to the Committee on Public Works.

By Mr. SHELLEY:

H.R. 11361. A bill to direct the Secretary of the Interior to initiate a salmon and steelhead development program in California; to the Committee on Merchant Marine and Fisheries.

By Mr. SILER:

H.R. 11362. A bill to promote the general welfare, foreign policy, and security of the United States; to the Committee on Ways and Means.

By Mr. WALTER:

H.R. 11363. A bill to amend the Internal Security Act of 1950 to provide for the protection of classified information released to or within U.S. industry and for other purposes; to the Committee on Un-American Activities.

By Mr. WILLIS:

H.R. 11364. A bill authorizing modification of the existing project from the Intracoastal Waterway to Bayou Dulac, La. (Bayous Grand Caillou and Le Carpe), and maintenance of the Houma Navigation Canal; to the Committee on Public Works.

By Mr. BOGGS:

H.R. 11365. A bill authorizing modification of the existing project for the Mississippi River, Baton Rouge to the Gulf of Mexico, Louisiana, in the interest of navigation; to the Committee on Public Works.

By Mr. COHELAN:

H.R. 11366. A bill to direct the Secretary of the Interior to initiate a salmon and steelhead development program in California; to the Committee on Merchant Marine and Fisheries.

By Mr. DENTON:

H.R. 11367. A bill to amend the Civil Service Retirement Act, as amended, to provide annuities for surviving spouses with deduction from original annuities and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HÉBERT:

H.R. 11368. A bill authorizing modification of the Gulf Intracoastal Waterway, La. and Tex., in the interest of navigation; to the Committee on Public Works.

H.R. 11369. A bill authorizing improvements along the Mississippi River below New Orleans for prevention of hurricane tidal damages; to the Committee on Public Works.

H.R. 11370. A bill authorizing modification of the existing project for the Mississippi River, Baton Rouge to the Gulf of Mexico, Louisiana, in the interest of navigation; to the Committee on Public Works.

By Mr. JOHNSON of California:

H.R. 11371. A bill to direct the Secretary of the Interior to initiate a salmon and steelhead development program in California; to the Committee on Merchant Marine and Fisheries.

By Mr. KING of California:

H.R. 11372. A bill to stabilize the mining of lead and zinc in the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. McSWEEN:

H.R. 11373. A bill to provide a right to ingress and egress across national forest lands to all persons owning property within the boundaries of such national forests, and for other purposes; to the Committee on Agriculture.

H.R. 11374. A bill to amend section 22 of the act of August 24, 1935, as amended (49 Stat. 773, 7 U.S.C. 624), to require the Secretary of Agriculture to include lumber and wood products as an agricultural commodity under the act; to the Committee on Agriculture.

H.R. 11375. A bill to require the establishment of an appeals procedure in matters related to the sale of timber from national forests, and for other purposes; to the Committee on Agriculture.

H.R. 11376. A bill to amend the National Housing Act, as amended (48 Stat. 1246, 12 U.S.C. 1701), to require the use of domestic manufacture of lumber and wood products in the construction of housing federally financed and/or federally insured, and for other purposes; to the Committee on Banking and Currency.

By Mr. MEADER:

H.R. 11377. A bill to establish a Commission on Government Operations in Research and Development; to the Committee on Science and Astronautics.

By Mr. MONAGAN:

H.R. 11378. A bill to amend the Federal Property and Administrative Services Act of 1949 so as to permit donations of surplus property to schools for the mentally retarded, schools for the physically handicapped, educational television stations, and public libraries; to the Committee on Government Operations.

By Mr. O'BRIEN of New York:

H.R. 11379. A bill to provide for an elective Governor and an elective Lieutenant Governor of Guam; to the Committee on Interior and Insular Affairs.

By Mr. PELLY:

H.R. 11380. A bill to amend the Tariff Act of 1930 to provide that limestone spalls, fragments, and fines may be imported free of duty; to the Committee on Ways and Means.

By Mr. SCHWENGEL:

H.R. 11381. A bill to provide for the District of Columbia an appointed Governor and secretary, and an elected legislative assembly and nonvoting Delegate to the House of Representatives, and for other purposes; to the Committee on the District of Columbia.

By Mr. WILLIS:

H.R. 11382. A bill authorizing modification of the Gulf Intracoastal Waterway, La. and Tex., in the interest of navigation; to the Committee on Public Works.

By Mr. CURTIN:

H.J. Res. 697. Joint resolution to designate the 18th day of April of each year as "Patriots Day"; to the Committee on the Judiciary.

By Mr. PELLY:

H.J. Res. 698. Joint resolution regarding Indian fishing rights; to the Committee on Interior and Insular Affairs.

By Mr. BROYHILL:

H. Res. 604. Resolution creating a select committee to conduct an investigation and study of the production, distribution, and exhibition of objectionable motion pictures and related advertising; to the Committee on Rules.

By Mr. BEERMANN:

H. Res. 605. Resolution to authorize and direct the Committee on Agriculture to investigate the Agricultural Stabilization and Conservation Service of the U.S. Department of Agriculture; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DEVINE:

H.R. 11383. A bill for the relief of Ivan I. Mueller; to the Committee on the Judiciary.

By Mr. HALPERN:

H.R. 11384. A bill for the relief of Pablo T. Rinonos and Tomasa A. Rinonos; to the Committee on the Judiciary.

H.R. 11385. A bill for the relief of Samuel Ellis Beckles and Vida Bernese Beckles; to the Committee on the Judiciary.

By Mr. LANGEN:

H.R. 11386. A bill for the relief of George R. Lore; to the Committee on the Judiciary.

By Mr. SHEPPARD:

H.R. 11387. A bill for the relief of Me Soon Song; to the Committee on the Judiciary.

By Mr. WESTLAND:

H.R. 11388. A bill for the relief of Maurice Casner and Eileen G. Casner; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

309. By the SPEAKER: Petition of Britton Rey, city clerk, Belvedere, Calif., relative to opposing Federal taxation of income derived from State and local bonds; to the Committee on the Judiciary.

310. Also, petition of R. R. Baiotto, city clerk, Glendora, Calif., relative to opposing Federal taxation of income derived from State and local bonds; to the Committee on the Judiciary.

311. Also, petition of Morris E. Erickson, city clerk, Exeter, Calif., relative to opposing Federal taxation of income derived from State and local bonds; to the Committee on the Judiciary.

312. Also, petition of Rachael N. Cordes, clerk of the Board of Supervisors of Siskiyou County, Calif., relative to opposing Federal taxation of income derived from State and local bonds; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Questionnaire Report—Fifth Congressional District, State of Connecticut

EXTENSION OF REMARKS
OF

HON. JOHN S. MONAGAN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1962

Mr. MONAGAN. Mr. Speaker, I have completed the tabulation of a questionnaire which I distributed to about 10,000 of my constituents in the Fifth Congressional District of Connecticut. The questionnaires were distributed by my office in February 1962 to a mailing list of constituents who have corresponded with me from time to time on legislative and policy matters, and to those who participated in a similar survey I conducted in 1961.

The American electorate has often been stated to be apathetic or unconcerned about affairs of government. This is not the case in my district. In the 2 years I have been conducting public opinion polls on legislative and policy matters I have been highly gratified with the response, not only in the return of questionnaire forms which provide space for categoric yes or no answers to questions on complex matters, but also in the number of letters I have received in which responsible comments and recommendations are submitted.

EIGHTEEN PERCENT RETURNED

In 1961 I distributed about 7,350 forms and received about 1,375 returns, an average of over 18 percent. In 1962 the return from about 10,000 questionnaires was about 1,795, again an average of about 18 percent. This, I am told by expert pollsters, is an extremely high average. The anticipated return from professional polls is about 10 percent.

By their willingness to complete the questionnaire, and their desire to expand upon their views with accompanying letters, the voters of my district have demonstrated a genuine interest in and knowledge of their Government and legislative affairs. I have prepared this questionnaire to obtain a cross section of opinion on some of the major issues which vitally concern every one of us. This report, and the comments of my constituents, will be of great value to me in the consideration of measures now pending in the Congress. Although I do not propose to follow these results in any slavish manner, but to exercise my own judgment on questions which arise, nevertheless they do provide helpful guidance.

I want to point out that the questionnaire forms were not printed at Government expense, and those who returned them affixed their own postage. I was very pleased to receive additional requests for supplies of questionnaires. One such request was for 200.

I shall append to this statement a tally showing the complete results of my 1962 questionnaire, but I wish to comment briefly on the subjects covered. I also intend to include excerpts from some of the letters returned with the questionnaire forms.

THE RESULTS

The questionnaire form provided space for yes or no answers, but in many cases there were enlightening and interesting letters attached. The final tabulations show overwhelming support—see chart—for resumption of nuclear tests in the atmosphere; for limitations on executive authority to reduce tariffs; for medical care for the aged under social security; for Federal aid for elementary school construction—but not for teachers' salaries or parochial school; for U.S. membership in the U.N.—purchase of U.N. bonds was favored, but by a slim margin; for annual appropriations of adequate funds for space explorations; for an Alliance for Progress with Latin America, with financial assistance where necessary; for continuance of the House Un-American Activities Committee.

My constituents opposed establishment of a Department of Urban Affairs at Cabinet level by a score of 827 to 796, with 172 registering no opinion. The score on U.S. purchase of U.N. bonds was 822 yes; 677 no; and 283 uncommitted.

The following are excerpts from letters received in response to the questionnaire:

Woodbury: "The President has requested Congress to give him the power to cut tariffs across the board. I oppose this delegation of power to the executive and the entry of the United States into the Common Market."

Torrington: "I want to thank you for the questionnaire you sent me. It was very interesting and I will appreciate more in the future if you will send them to me."

Roxbury: "I note, incidentally, that the card was not printed at Government expense, I suppose for the usual reasons. This is one case, however, which I think should be made an exception. This imaginatively conceived method for taking the public pulse on important public issues, it seems to me, should not depend for its financing on the limited income of individual Congressmen, which means that its use can only be sporadic and, to that extent, inadequate, and inconclusive. Our Government should assist in the establishment and dissemination of such questionnaires by providing special funds, earmarked for that purpose, for the use of Congressmen."

Waterbury: "Although I do not like much of the conduct of the House Un-American Activities Committee, I think the committee could fill an essential role if the members would observe properly the civil rights of witnesses and not use it as a headline hunting vehicle."

New Milford: "I am all in favor of every tax dollar being collected from everyone who is properly required to pay it. However, honesty like morals cannot be legislated and measures such as the one proposed merely drive the actual offenders to more ingenious methods of evasion leaving the others to hold the tab."

Watertown: "There should be a Federal program for medical and hospital care for the aged. While I believe that the Federal Government has the propensity for massive growth at the expense of States rights and individual liberty, this is one area where the National Government should act and probably under social security as it has for old age retirement and disability."

Washington: "Please send me six more questionnaires. Regarding support for Latin America, I do believe that is the most important section of the world to us and that we should aid the countries which want to be our friends—not any country which espouses 'neutralism.'"

Prospect: "I probably am wrong, but I detest nuclear tests in the atmosphere and dread the outcome of them."

Kent: "No to the abolition of the Un-American Committee because apart from other good reasons, it would be too much of a triumph for the pinks and reds. No to unlimited tariff-cutting powers, for while I'd be inclined to trust President Kennedy with such powers as he is today, he might change, and so will the Presidency."

Lakeville: "Too many of us get involved with the many immediate problems of daily living and do not stop to really think about

the big decisions which should be our responsibility as much as yours."

Falls Village: "Thank you for this opportunity to express our opinions."

Bridgewater: "May I have six more of the excellent questionnaire to give to some Bridgewater people who would like to have this opportunity of expressing their views to you, their Representative. Thank you."

Naugatuck: "Kindly send me 20 copies of the questionnaire on issues before the 2d session, 87th Congress. Our Retired Men's Club has become interested in your suggestion."

Litchfield: "If the space program is to be pushed forward to enhance J.F.K.'s chances for election in 1964, then we say not 1 red cent for space."

Ansonia: "I am greatly opposed to anything that is supported by the National Association of Manufacturers. Keep an eye on the tariff program for the Naugatuck Valley. I have confidence in your judgment."

Derby: "This questionnaire is a fine idea. But when the chips are down you are going to have to use your own judgment on what's good for the district and for the country."

Beacon Falls: "The question of Federal aid for education has lost its original significance and is now a political and religious controversy. Why not let it cool off for a year or so?"

Winsted: "I would be in favor of a Department of Urban Affairs at the Cabinet level, but I'm afraid the question is now on a broader issue. We are not being confused by the sounds and fury being raised in some quarters against medical care for the aged. We want it."

Thomaston: "How can we avoid nuclear testing? While I find it repulsive to contemplate the possibilities of a nuclear war, the alternative of not being prepared for one is even worse. Don't trust the Russians."

Colebrook: "I normally vote Republican, but I am favorably impressed with your interest in obtaining grassroots opinion. I don't like some of the things the United Nations is doing, and not doing, but guess we'll have to stick with it until something better comes along."

The questionnaire tally chart follows:

Results of questionnaire (1,795 cards tabulated)

Do you favor—	Yes	No	Uncommitted
1. Establishment of a Department of Urban Affairs at Cabinet level?	796	827	172
2. Federal aid to elementary education?	1,006	518	217
a. For school construction?	1,019	582	194
b. For teachers' salaries?	755	844	196
c. For parochial as well as public schools?	579	997	219
3. Medical and hospital care for the aged?	1,224	285	286
a. Under social security?	957	504	334
b. By federally assisted State programs?	572	769	455
4. Resumption by the United States of nuclear tests in the atmosphere?	1,258	433	104
5. Withdrawal of the United States from the United Nations	204	1,519	72
6. Purchase of $100,000,000 U.N. bonds by the United States to help finance U.N. deficit?	822	677	283
7. Abolition of the House Un-American Activities Committee?	454	1,157	184
8. Support of an Alliance for Progress with Latin America, with financial assistance where necessary?	1,466	235	94
9. Congress giving the President broad tariff-cutting powers to negotiate across-the-board trade agreements?			
a. Without limitations?	295	1,070	430
b. With limitations providing for appeal and review of agreements?	1,166	355	274
10. Annual appropriations of adequate funds for space explorations?	1,584	138	74

Why Do We Give Haven to Murderers?

EXTENSION OF REMARKS
OF
HON. ALVIN E. O'KONSKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1962

Mr. O'KONSKI. Mr. Speaker, beginning at sundown on Wednesday, Jewish homes all over America will commemorate the Passover, the liberation of the ancient Israelites from Egyptian slavery?

This year, the Jews of America and Jews all over the world will also mourn at this Passover season a tragedy so momentous that non-Jews have little conception or understanding of it.

It is the anniversary of the greatest mass murder in history—when 6 million Jews went to their deaths in the gas chambers and the open pit graves of Hitler.

I ask that those of the non-Jewish faith, those who have not known such terribly tragedy, join first in expressing our sympathy, and second make sure that any others who persecuted the Jews be punished, even as Adolf Eichmann now awaits punishment.

In this connection I regret to report that another who participated in the persecution of the Jewish people, even before Eichmann, is now living in New York City, enjoying the blessings and benefits of American protection. He is not a citizen, but for some unexplained reason, he has been allowed to remain here.

Early in the war, in fact even before persecution of the Jewish people reached a gruesome climax in Germany, the Rumanian Iron Guard massacred, tortured, imprisoned, and hung thousands of Jews. Between 8,000 and 10,000 died. This was the forerunner of Hitler's gas chambers.

The man who financed the Iron Guard, according to war documents published by the State Department, is the man who now resides at 1158 Fifth Avenue, New York, namely the big Rumanian industrialist, Nicolae Malaxa.

The record of this man is one of the most amazing in the postwar world. Even more amazing is the fact that he remains in the United States.

In the first place he was the wartime partner of Albert Goering, brother of Field Marshal Hermann Goering, the No. 1 war criminal after Hitler, who committed suicide in an Allied jail. Malaxa and Goering, according to the record of the Immigration Service, worked together during the war and Malaxa helped supply Hitler's army with some of the metallurgical products so badly needed during the war.

With the end of the war, Malaxa switched from the Nazi side to the Communist side. Wrapping himself in the cloak of the Communist Government of Rumania, he came to the United States in 1946 on a trade mission. He was a representative of the Rumanian Government and therefore came here under the auspices of a Communist government. Yet he has remained here ever since.

One of the most tragic books written since the war is called "The Destruction of the European Jews" by Raul Hilberg. Dr. Hilberg, a student at Columbia University, and now on the faculty of the University of Vermont, spent some years studying the Federal war records in Alexandria, Va., and has compiled a gruesome account of the tragic massacre of the Jewish people.

In his chapter on Rumania, page 489, Dr. Hilberg reports:

Iron Guardists had stormed into the Jewish quarter, burning down synagogues, demolishing stores, and devastating private apartments. For miles around the city the guardists had left traces of their revolution. On January 24, travelers on the Bucharest-Ploesti Road discovered at Baneasa over a hundred Jewish bodies without clothes. Gold teeth had been knocked out of the mouths of the dead. (Gypsies were believed to have been the looters.) On the road to Giurgiu passers-by stumbled upon another 80 bodies of Jewish slain. In the city itself the German military attaché was busy collecting casualty reports. "In the Bucharest morgue—

He wrote—

one can see hundreds of corpses, but they are mostly Jews (doch handelt es sich meistens um Juden)." Jewish sources report that the victims had not merely been killed; they had been butchered. In the morgue bodies were so cut up that they no longer resembled anything human, and in the municipal slaughterhouse bodies were observed hanging like carcasses of cattle. A witness saw a girl of 5 hanging by her feet like a calf, her entire body smeared with blood. On January 27, the Jewish community organization had identified 630 of the dead; another 400 were missing.

The tragic account goes on and on. A total of between 7,000 and 10,000 Jews were massacred by the Iron Guard in Rumania, largely in the month of January 1941.

Now I turn to another book—an official volume published by the State Department. It is called "Documents on German Foreign Policy From 1918 to

1945," and it contains the many captured notes exchanged between the German Foreign Office in Berlin and its Nazi Ambassadors around the world.

On pages 1050–1051 there is published German Document No. 623 from the Nazi Minister in Rumania Fabricius to the foreign ministry in Berlin, a telegram dated January 8, 1941, the exact period when the Iron Guard massacre of the Jews was taking place in Rumania. The German note refers to the Iron Guard as legionnaires.

After describing friction between General Antonescu and the Iron Guard, the German minister cabled Berlin as follows:

In this fight between the General (Antonescu) and the legionnaires (the Iron Guard) command, a man plays a role who even earlier played a secret part in Rumanian politics: Carol's former friend and the present financial mainstay of the legionnaires, M. Malaxa. The legionnaires let this clever big industrialist finance them. He has in his plants the leader of the legionnaire labor organization, Gana, and there the green flags of Sima flutter everywhere. Sima and his (group missing) have let themselves be roped in and want to come to an agreement with Malaxa on a settlement, while the general, as the exponent of order and purity, demands that Malaxa hand over all the property stolen from the State. Malaxa therefore considers the general his mortal enemy and makes common cause with the legionnaires against him. Malaxa has even again supplied with arms the legionnaire police, who had already been disarmed. Yesterday, while the scene between the general and Sima occurred in the office of the Minister President, they established themselves in the Prefecture of Police with machineguns.

The general, whose entourage kept this information from him last evening, is now extremely angry. He would like best to send Malaxa and his family off to Germany in order to get rid of them for a while. In reply to a question from him, I told him that, if he wishes it, we would be glad to oblige him by taking Malaxa in, since German industry had always been on the best of terms with him. The general considers this his only chance of getting rid of this troublesome schemer.

General Antonescu described the events to me in detail. He asked me to treat the information in strict confidence.—Fabricius.

This is the man who supplied arms to the Iron Guard police, even after they had already been disarmed, and who supplied the finances for those who wantonly murdered and tortured the Jewish people of Rumania.

I quote once again from Hilberg's tragic volume, "The Destruction of the European Jews":

A witness saw a girl of 5 hanging by her feet like a calf, her entire body smeared with blood. On January 27 the Jewish community organization had identified 630 of their dead; another 400 were missing.

The date of that particular massacre was January 27; the warning cabled by the German Minister in Rumania to the German foreign ministry in Berlin was January 8, both in 1941.

That is the shocking, terrible, tragic evidence—not hearsay, not a newspaper account, but the official war records published by the State Department after having been seized by the U.S. Army after the war.

And yet the man who was described as "the financial mainstay" of the Iron Guard now resides at 1158 Fifth Avenue, in New York.

I ask the reason why.

Could it be that these documents lie. I do not think so. It is true they are German documents, but they have a ring of accuracy about them. In addition they are substantiated by the Immigration hearings. Various prominent Rumanian witnesses appeared before immigration officials to testify that Malaxa was the financial backer of the Iron Guard. Among these witnesses was Alexander Cretzianu, former Undersecretary of Foreign Affairs for the Rumanian Government; also Marion Novotny, who testified that he had seen Iron Guardsmen enter Malaxa's home to obtain arms stored there for use of the Iron Guard. Max Ausnit, a leading Rumanian industrialist, also identified Malaxa as the financial mainstay of the Iron Guard.

Now here is another amazing point. Malaxa would not answer questions on these and other tender points when he appeared before the Immigration Service. In effect, he took the fifth amendment. On such vital questions as whether he was affiliated with the Iron Guard, as to whether he had the backing of the Communist government after the war in Rumania, as to whether he had worked with the Nazis during the war, on all these points Malaxa stood silent.

Can you imagine an ordinary criminal being admitted into the United States when he took the fifth amendment?

Yet this man who helped to perpetrate crimes far worse than those of an ordinary criminal would not answer questions, yet he has been allowed to remain here.

I am informed that the distinguished chairman of the Immigration Subcommittee, the gentleman from Pennsylvania, has done his best to try to secure the deportation of this alien—without success.

I know that the distinguished gentleman from New York, the chairman of the House Judiciary Committee, has publicly branded this alien as a Communist and has told how Malaxa used political influence to remain in the United States.

These are influential and able gentlemen and I cannot understand why their advice has not been listened to.

I know that the Immigration Service has recommended deportation. But this deportation has not been carried out. The Immigration Service has been overruled.

I cannot understand why. Why are we permitting this man—who was seriously implicated with the murder of some 10,000 Rumanian Jews—to remain living in wealth and luxury on Fifth Avenue while the Jewish world mourns its dead?

There are no people in the world who have suffered more tragically during the past war. They have borne their suffering in silence. They have buried their dead. It is not for the Jews of the United States to rise up and ask why we are keeping this man in the United States, it for the rest of us who are non-Jews to fight this battle.

I for one hope the distinguished chairman of the Immigration Subcommittee will reopen this case and bring the records forward for all to see.

It was Moses who, as the people of Israel sought to escape from Egyptian bondage, cried out in the name of the Lord: "Let my people go that they may serve Me."

And I say, let those who have been guilty be punished; let those who are not of Jewish faith rise up in wrath and defense of our Jewish colleagues and in atonement for the sins of others.

Washington Report

EXTENSION OF REMARKS
OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1962

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

WASHINGTON REPORT

(By Congressman BRUCE ALGER, Fifth District, Texas, April 14, 1962)

The Trade Expansion Act of 1962 has occupied the full attention of the Committee on Ways and Means for the past month. This week we completed public hearings and started executive sessions to consider the testimony. Fair trade between nations and fair competition between the products of nations is obviously in the best interest of the United States. The President's bill, H.R. 9900, will promote neither fair trade nor free trade. The conditions indispensable to free trade do not exist and cannot exist without a basic change in U.S. economic policies and a change in laws now on the books pertaining to immigration, minimum wage, agriculture, and other areas which contribute to the cost of doing business.

The regulation of imports to assure fair competition between foreign and domestic products can no longer be based on tariff adjustment. The United States, with duties averaging 12 percent on industrial products, is fourth lowest of the nations of the world in the level of its duties. Our duties have been reduced so low that in the Tariff Commission's peril-point investigation it was determined that nearly 40 percent of the items on which concession had been requested by other countries tariffs could not be further reduced without causing or threatening serious injury to many U.S. industries. On items requested by the European Economic Community, 75 percent were already at the peril point. Rather than accepting the President's bill as presented to the committee, we need a comprehensive study of the domestic cost consequences of inflationary pressures created by continued governmental deficits, and of the systems of taxation, State and Federal, which place our industries at a cost disadvantage with foreign competitors.

The President's bill asks Congress to abdicate its responsibilities. H.R. 9900 requests Congress to abdicate its powers and responsibilities under the Constitution, by granting the President absolute discretion to reduce or eliminate duties without any limiting standards. It denies judicial review, eliminates the peril point, and gives the President a life or death decision over American industry. More than half of the 60 pages of the

bill gives the President power to reorganize the Nation's economy and increases Federal planning in the retraining and relocation of workers who lose their jobs because of a Presidential tariff decision and to subsidize industries hurt as a result of the application of this act.

Bureaucratic reorganization of our whole domestic economy will be the end result of this bill. By giving the President the sole power to choose the industries, workers, and communities which shall receive the full brunt of duty-free competition from the products of lower cost countries, and the further power to select from those industries the ones which he will assist by tax relief and other forms of adjustment assistance, the bill would give the President unrestrained power to determine without coming to Congress, the future development of the U.S. economy. There are no guidelines in the bill which the President must follow.

The President's bill contemplates Government price control. In questioning Under Secretary of State Ball I was able to secure his admission that the administration is prepared to use tariff concession on industrial and agricultural products to bring about lower prices. President Kennedy, himself, acknowledged in a speech in New York City on October 12, 1960, "Frequently imports may be only a relatively small percentage of our domestic market, 2 or 3 percent, but it breaks the price for the other 97 percent." It is plain the administration intends to use the unlimited authority requested in H.R. 9900 as an experiment in price control both in domestic and foreign markets.

This bill will not insure free trade, but on the contrary will further restrict American exports and will place unconstitutional and dangerous power in the hands of the President. On the floor of the House on Wednesday evening I offered a trade program which I believe will accomplish the ultimate purpose of freer trade without endangering our own economy or liberties: (1) Extend the present trade agreements law for a 4-year period; (2) within present law, give the President additional authority to reduce duties by 20 percent, to take effect 5 percent a year; (3) strengthen the existing peril-point and escape clause provisions by requiring a finding of actual or threatened injury by the Tariff Commission whenever there exists, or would be imminent, a combination of either (a) a decline in the share of the market supplied by domestic productions and a decline in the domestic price level or in domestic industry earnings; or (b) a decline in the share of the market for domestic products and a decline in employment or wages paid in the domestic industry; (4) provide against the sappings by excessive imports at the rate of growth of industries, by adding to the peril-point and escape clauses, as alternate bases for action, circumstances characterized by an increase in imports, the continued expansion of the domestic market, but a decline in the established rate of growth of the industry producing like or competitive products; (5) direct the President to make a determined use of legislative tools already at hand designed to promote the expansion of U.S. exports without the necessity for new duty reductions; (6) establish a congressional commission, adequately staffed, to make a comprehensive study of all the factors relating to our foreign trade position.

Trade and tariffs legislation is a highly complicated and technical study, but is one of the main concerns of my Committee on Ways and Means. The bill we are now considering could have more serious and far-reaching effects on every individual citizen than any other measure coming before Congress and for that reason I have spent and will continue to spend practically every waking moment in trying to see to it that we shape a measure which will protect our economy, our industry, the jobs of our people, and will preserve our constitutional liberties and the responsibilities of the legislative branch of the Government.

Answers to Questionnaires—They Provide Cross Section of Public Opinion

EXTENSION OF REMARKS
OF
HON. O. C. FISHER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1962

Mr. FISHER. Mr. Speaker, I recently submitted to the citizens of the 21st Congressional District of Texas a questionnaire, containing 24 current issues. Approximately 15,000 returns have come in and have been tabulated. This represents an unusually high percentage of responses, and bespeaks the extraordinary interest in the affairs of government on the part of the people who reside in that district.

The results follow:

	Percent		
	Yes	No	No opinion
Foreign affairs:			
Should foreign aid be confined to friendly countries?	85.76	7.07	7.16
Should foreign aid be reduced?	78.59	10.90	10.50
Do you favor the President's proposal to increase the foreign aid's Peace Corps from $10,000,000 to $52,000,000 a year?	11.90	78.64	9.45
Should we maintain a strong stand in defense of Berlin even if it means use of force?	86.40	4.57	9.02
Fiscal:			
Do you favor the President's request that Congress give him standby authority, subject to veto by Congress, to reduce taxes on personal income, as an antirecession measure?	36.71	53.90	9.38
Do you favor the President's proposed establishment of a Cabinet-level new Department of Urban Affairs and Housing?	9.69	77.09	13.21
The President has recommended pay raise reforms for Government employees, estimated to cost $1,000,000,000 per year:			
Do you favor any increase in wages for Government employees?	15.33	72.80	11.85
Do you favor any increase in wages for postal employees, in particular?	16.85	70.07	13.07
School aid:			
Do you favor any Federal aid for school construction?	25.16	69.64	5.19
Do you favor any Federal aid for teachers' salaries?	15.45	79.64	4.90
Welfare:			
The President has recommended that the Congress provide standby authority to the President to accelerate and put into effect up to $2,000,000,000 of public works when unemployment is rising. Do you favor this?	25.14	66.16	8.69
The President has proposed the initiation of a Youth Employment Opportunities Act, designed to train young people for job opportunities, estimated to cost $75,000,000 the 1st year, $100,000,000 for each of the next 2 years. Do you favor this?	26.73	63.62	9.64
The President has proposed the establishment of a Youth Conservation Corps, modeled roughly after the CCC of depression days. Do you favor this?	25.21	62.97	11.80
Subversive activities: Do you favor the continuation of the House Un-American Activities Committee	77.97	9.97	12.04
Medical care: The President has proposed that all employers and employees be required to pay additional social security tax to provide limited medical and hospital care for elderly social security annuitants, regardless of their need or desire. Do you favor this?	18.66	75.45	5.88
United Nations: The President has asked the Congress to approve the purchase of $100,000,000 of a $200,000,000 bond issue by the U.N., to help finance that organization, contending that would result in less outlay by us in the long run. Do you favor this?	18.11	68.04	13.83
Foreign trade: The President has requested that he be given authority by the Congress to reduce tariffs by 20 percent or more on major groups of commodities, in exchange for concessions from other countries, especially those in the Common Market of Europe. Do you favor this?	35.00	47.30	17.69
Veterans:			
A bill in Congress provides that GI educational benefits be extended to veterans who serve in peacetime, estimated by VA to cost, initially, $330,000,000 per year. Do you favor this?	26.00	65.33	8.66
Another pending bill, H.R. 3745, would give 1,564,000 veterans of World War I, who served 90 days or more, a pension of $102 per month. Income limits in the bill would exclude about 30 percent of World War I veterans in the higher income brackets. (The VA estimates 1st-year additional cost $942,000,000 annually, with a total additional cost of $11,000,000,000). Do you favor this?	23.85	64.19	11.95
Agriculture: Do you favor reduction in costs and controls in farm program?	77.04	15.16	7.78
Labor:			
Do you favor "right-to-work" laws which provide that a worker does not have to join a union to hold a job?	93.16	4.57	2.26
Do you favor legislation requiring labor unions to conform to antitrust laws now applicable to private corporations and business enterprises?	81.40	6.04	12.54
The President has asked for legislation which would require all unemployment compensation laws of the various States to be federally standardized. Do you favor this?	27.92	57.85	14.21
The President has urged an increase in and an expansion of coverage of unemployment benefits. Do you favor this?	15.90	74.21	9.88

Mr. Speaker, it can be said with assurance that these results represent a fairly accurate cross section of public opinion in that district.

MEDICAL CARE PROPOSAL IS UNPOPULAR

It will be noted that only 18.66 percent favor while 75.45 percent oppose the President's proposal that limited medical and hospital care be provided for elderly people who are covered by social security, a whopping majority of 4 to 1.

Under the Kerr-Mills Act, now in effect, all needy elderly people are entitled to medical and hospital care in those States that cooperate by implementing the Federal law enacted by Congress 2 years ago.

PEOPLE WANT FOREIGN AID REDUCED

By a decisive ratio of 85.76 to only 7.07 percent, the people want foreign aid confined to friendly coun-

tries, and 78 percent feel that foreign aid should be reduced, or eliminated.

STANDBY AUTHORITY AND NEW WELFARE PROPOSALS ARE UNPOPULAR

The results reveal a strong conviction on the part of the people that the Congress should retain its constitutional responsibilities in several areas covered by questions. By a ratio of 36.71 to 53.90 percent the people oppose the President's request that Congress give him standby authority to reduce taxes on personal income, as an antirecession measure.

By a ratio of 2½ to 1, they oppose the President's recommendation that the Congress provide standby authority for him to put into effect a public works program when unemployment is rising.

They strongly oppose the proposed Youth Employment Opportunities Act and the proposed Youth Conservation Corps.

PEOPLE OPPOSE FEDERAL AID FOR EDUCATION

It will be noted that 25.16 percent favor and 69.64 percent oppose any Federal aid for school construction. And even more decisively they oppose any Federal aid for teachers' salaries.

U.N. BOND PURCHASE DISAPPROVED

By a percentage of 18.11 percent for and 68.04 percent against, the people are opposed to the proposed purchase of $100 million of bonds to help finance the United Nations.

A considerable number, in comments, express grave doubts as to the future usefulness of the United Nations organization. They feel, as I do, that unless changes are made which will enable that organization to more effectively project and maintain the position of the United States and our allies in respect to means of maintaining peace and repudiating the warmaking activities of the Communists, we should seriously consider withdrawing from membership. And they feel very strongly that all other nations should be required to pay their proportionate share of the costs of operating the United Nations; otherwise they should be automatically deprived of the privilege of voting. In my opinion this position is sound and proper.

LABOR UNIONS SHOULD BE UNDER ANTITRUST LAWS

It will also be noted that by a margin of 81.40 and 6.04 percent, the people feel that labor unions should be made to conform to antitrust laws now applicable to private corporations and business enterprises.

I strongly support this position. I have introduced legislation to accomplish that objective. The simple fact is that labor unions have grown up. They are now big business. They no longer need to be wet-nursed and coddled. They do not need nor should they longer expect special treatment by being exempted from our antimonopoly laws. The public interest must be protected against harm that comes from conspiracies in restraint of trade, whether it be by big business or big labor.

The people also very strongly oppose any expansion of coverage of unemployment benefits. Several hundred of those who answered cited specific instances, within their own knowledge, of abuses by individuals who receive benefits under this program. The effect of this is to magnify rather than to relieve the problems related to unemployment. In fact, in many instances it serves to promote unemployment by providing a method whereby many make use of this program in order to avoid working, and actually refuse to seek or accept gainful employment while they are drawing such benefits.

It is clear that this, a State program, should be investigated and appropriate steps taken to better protect the public interest against these unjustified abuses. The program can be protected and applied as intended, while effectively preventing the free riders and chiselers from making a farce of the real purpose and intention of the program.

WITHHOLDING OF TAX ON SAVINGS AND DIVIDENDS IS UNPOPULAR

Mr. Speaker, while the issue was not included in the poll hundreds of people in their comments have expressed opposition to the pending proposal to withhold the tax on interest, savings, dividends, and so forth. It will be recalled that this issue was included in the recent tax bill which was passed by the House. I was one of those who voted against it. With the computer system now being installed by the Internal Revenue Service, it is believed that we are approaching the time when such withholding will be wholly unnecessary. The proposed withholding will be irritating and it will involve tremendous expensive bookkeeping operations by those who would be required to do the withholding for the Government.

PEOPLE FAVOR MORE FREEDOM, FEWER CONTROLS

Throughout these questionnaires the people have spoken out against so much concentration of governmental activities in Washington. They want less regimentation, fewer controls, in all activities, including agriculture and business. A Coleman ranchman expressed the views of many thus:

> I am strongly opposed to giving the President any of the powers that now belong to Congress. I am in favor of reducing Government spending at all levels and returning the economy of this country back to the people where it belongs.

Quite a number have expressed concern over deficit spending and other policies widely endorsed by liberals. Many people ask questions about the attitude of such liberal organizations as the Americans for Democratic Action (ADA) and the AFL–CIO's political arm, known as COPE. They believe that the liberal policies of these and other similar organizations should be considered with caution and restraint on the part of the Congress.

Several comments included requests for information about the extent of conformance by Members of Congress to policies advocated by ADA and COPE. In that connection, I have in my possession a number of reprints of the voting records of Congressmen as viewed by those organizations. They will be sent to any constituents who request them.

Mr. Speaker, there are other comments and other issues which I should like to discuss in this report, but space will not permit. I do want to take this means of expressing my appreciation to all of my constituents who took the time and trouble to return their questionnaires and the many who gave me the benefit of some timely and enlightening comments.

Medical Care for the Aged Under Social Security Rather Than Private Insurance Plans

EXTENSION OF REMARKS
OF
HON. FERNAND J. ST. GERMAIN
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 17, 1962

Mr. ST. GERMAIN. Mr. Speaker, the introduction in recent days of several medicare bills on a so-called voluntary basis rather than under the social security program is most pleasing to me in several respects, and yet disturbing in others.

There is a growing recognition by opponents of the medicare program that the aged do not have the adequate means of meeting the expenses of major, and often chronic, illnesses that strike them in this period of their lives; that the aged desire a program whereby they can finance the necessary insurance against the costs of required treatment; that health insurance coverage is a desirable national objective for all. I repeat "all" of our aged, and that it is in the national interest to aid and encourage the aged who seek the protection of medical care under an effective, financially sound and encompassing program. The very recognition of the need has long been lacking among many Members of this Chamber. It may possibly be the voting strength of the aged that has influenced many Members of the House to approach the subject of medical care for the aged in a more realistic and fruitful manner.

There is, however, one major divergence of opinion between the new proponents of the medicare program and myself. We are not in agreement as to the best basis upon which to finance the coverage. The phrase "extended without Government interference on a voluntary rather than compulsory basis," as used in the recently introduced legislation, is a facade that insults the intelligence of the senior citizens of this Nation and of my distinguished colleagues in this Chamber. Objections to social security are a little late; almost 30 years too late. It is a justified, effective, financially sound and fully accepted means of providing what private funds cannot provide and is an acceptance by the Government of a responsibility which lies upon its shoulders. It is my view, Mr. Speaker, that we should not hesitate to act when action is within the sphere of governmental responsibility and I submit that the health and welfare of the people of this Nation is within that sphere. To argue against the social

security program is to ask for the withdrawal of so much that has kept America prosperous and its people in dignity and independence even in the most trying of times.

Mr. Speaker, the social security approach to medical care for the aged is the one that will best solve the problems involved and not create new headaches for the Nation. The private, the "voluntary," and I put "voluntary" in quotes, ignores the basic problem of the payment, by the aged, of the needed insurance. The bills introduced state that the aged sector of the population does not have the means to meet the requirements in the area of medical care and yet the burden is still upon them under the provisions of these measures. The social security approach is a longrun plan for the most effective use of the funds available and an equitable distribution of the burdens of the program. It is not a shortrun plan to appease the aged and pass the buck. It is a plan that will provide the necessary coverage in the future, at the lowest possible cost to the individual, without placing a great burden on the aged at a time when their earning capacity is little if anything, and is the method, Mr. Speaker, which I urge the Congress to adopt in the best interests of the Nation.

Plight of the Railroads

EXTENSION OF REMARKS
OF
HON. ROBERT N. C. NIX
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 17, 1962

Mr. NIX. Mr. Speaker, on April 2, 1962, I set forth my views concerning the plight of the Pennsylvania Railroad, and this includes all of the railroads in this country.

[From On the Track, Association of American Railroads magazine]

"The railroads of the United States simply must have some help if they are to continue. There is no alternative to this; and words will not do it.

"As a Member of Congress, I am deeply concerned about the future of the railroad industry as one of the major instruments of the defense of our Nation. There is simply nothing that could take the place of what railroads would have to be called upon to do if we needed to move either manpower or material from one corner of this country to the other right away."

The Philadelphia leader said that his insight regarding the need of the industry has been sharpened since he has been called upon to go regularly by train to Washington.

"In trying to make its ends meet, the equipment of the industry is being rapidly depleted and much of this costly machinery had to be purchased when we were at war and the railroads meant the difference between getting our fighting gear to the many strategic ports and having it pile up on the premises of the manufacturers. You can't shoot guns unless you can get them to soldiers. As a veteran, I know what I'm talking about."

In addition to the distinguished Congressman's interest in the railroad industry as an overall asset for the country, Mr. NIX was quick to point out that he did not divorce this from the interests of Negroes who, when that industry is healthy, receive approximately $1 million a day in earned income from more than 100 roads.

"Negroes have more than a sentimental interest in keeping the railroad industry in existence, and their friends in high places need to constantly remember that fact. One million dollars a day is equal to a lot of good education. It adds up to a great deal of good housing. And, most of all, it is the kind of thing that keeps people believing in our way of life."

The Congressman felt certain that the "plight of railroads would have to be high" on the list of things before the White House for early action. "This saving of the railroad industry is no political football. I sincerely believe that a majority of the Congress is stanchly in favor of some form of help. What remains is for that form to take shape. I believe it will."

Statement of the Honorable John S. Monagan, of Connecticut

EXTENSION OF REMARKS
OF
HON. JOHN S. MONAGAN
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 17, 1962

Mr. MONAGAN. Mr. Speaker, the people of the Fifth District, which I represent, and of all of Connecticut have been following with interest the developments in the Congress and the Federal Communications Commission which would influence and affect television reception within the State.

I was very pleased to learn that the Interstate and Foreign Commerce Committee has favorably reported H.R. 8031 (H. Rept. 1559) which would delegate power to the FCC to require that all television sets shipped in Interstate and Foreign Commerce be capable of receiving all 82 television channels including the 12 VHF channels and the 70 UHF channels. This action, taken with the withdrawal of the FCC's deintermixture program which would have deleted VHF channel 3 from Hartford, Conn., represents a very satisfactory conclusion to an issue that was of great concern to me and to my constituents.

I have consistently opposed the deintermixture program because it would have created a complete television blackout to nearly 45,000 residents of the Connecticut 5th Congressional District and it would also have had adverse influence upon the television reception of about 250,000 Connecticut viewers.

These developments, I am confident, are in concert with the desire of the Interstate and Foreign Commerce Committee and the Federal Communications Commission to afford the best possible reception opportunities for all television set owners.

I wish to compliment the Honorable Oren Harris, Chairman of the Interstate and Foreign Commerce Committee, Chairman Newton N. Minow of the Federal Communications Commission and the other members of the FCC, members of the Connecticut delegation, and Gov. John Dempsey, of Connecticut, for their enlightened endeavors which have brought about this very favorable development.

With permission to extend my remarks, I include a statement which I presented at the House Interstate and Foreign Commerce Committee hearings on March 5, 1962, on H.R. 8031.

The statement follows:

STATEMENT OF HON. JOHN S. MONAGAN, A REPRESENTATIVE IN CONGRESS FROM THE FIFTH CONGRESSIONAL DISTRICT OF THE STATE OF CONNECTICUT

Mr. MONAGAN. Mr. Chairman, members of the committee, I want to thank you for this opportunity to testify before you and to make known my views on H.R. 8031 and the other bills that have been referred to here this morning.

I consider that this legislation is of vital importance to thousands of Connecticut residents, including many in the Fifth Congressional District, which I have the honor to represent. That is roughly the northwestern and western sectors of Connecticut.

At the outset I wish to state that I am wholeheartedly in accord with the principle of all-channel television legislation, such as H.R. 8031.

This bill would delegate power to the Federal Communications Commission to require that all television sets shipped in interstate and foreign commerce be capable of receiving all 82 television channels, including the 12 VHF channels and 70 UHF channels.

I support this bill with strong reservations, however, and I want at this time to make known the reasons for these reservations. Simultaneously, I wish to ask the committee to give favorable consideration to the enactment of H.R. 9256, H.R. 9291, and several identical bills which would serve the purpose of H.R. 8031, but would also prohibit the Federal Communications Commission from its stated purpose of deleting the VHF from Hartford, Conn.

I cannot support H.R. 8031 in its present form because, while purportedly serving the interests of all future television receiver owners, it would surely afford the FCC with a weapon to deprive 44,814 residents of my district of any TV reception and reduce the reception of 104,004 others to 1 channel and no selective choice of channels.

This legislation would have the effect of requiring that television receivers sold in my district be equipped to receive all channels; but if it were adopted without the FCC restrainers contained in H.R. 9267, we could find ourselves in the position of having no channels operating in the reception area of 44,814 residents. Their fine equipment would be useless, like an expensive boat on a dried-up lake. I would favor H.R. 8031 without reservation if it were amended to include a prohibition against the deletion of VHF channel 3 from Hartford.

I am aware that H.R. 8031 has the sponsorship of the Federal Communications Commission. The FCC is also sponsoring the proposal for the deintermixture of Hartford, Conn., which would result in the deletion of channel 3 VHF from the capital city of my State. I have already communicated to the FCC my objections to this deintermixture, and with your permission I will leave with you a copy of my statement addressed to the FCC on January 26, 1962.

I ask that it be made a part of the record.

The CHAIRMAN. Very well, we will be glad to receive that for the record.

(The statement of Mr. MONAGAN referred to follows:)

"STATEMENT FROM REPRESENTATIVE JOHN S. MONAGAN TO THE FEDERAL COMMUNICATIONS COMMISSION, RE DOCKET NO. 14241—IN THE MATTER OF DEINTERMIXTURE OF HARTFORD, CONN.

"The proposal of the Federal Communications Commission to delete channel 3 from its present use in Hartford, Conn., would deprive Connecticut residents, especially those in rural and suburban areas, of television service to which they are both accustomed and entitled.

"As a Member of Congress and as a frequent television viewer, and also as a regular participant in television presentations, I hereby make objection to this proposal, and recommend that the Hartford deintermixture proposal be withdrawn. It would not be in the public interest.

"This experiment, and it is apparent from the divided expressions of opinion voiced by members of the FCC that it is only an experiment, to determine whether multiple UHF stations can effectively supplant VHF service, would work an immediate hardship on nearly 260,000 people. The elimination of channel 3 from Connecticut would deprive these 260,000 people of the only clear television picture now available to them. An additional 145,000 people would have their choice of television programing reduced by 50 percent and be confined to a single outlet. Connecticut residents should not be compelled to accept the imposition of this blackout in the name of experimentation.

"It has been well stated by FCC Commissioner John S. Cross, who opposed the Hartford deintermixture, that 'it cannot be successfully argued that major population centers are entitled to a full complement of programs from all three networks when this end can be achieved only by depriving large numbers of people (living outside these metropolitan centers) of all or a substantial part of the service they now receive.'

"It is certainly to be hoped that no effort will be made to thrust UHF upon a reluctant public in the vain hope that it might fan a spark of life into UHF television, despite the cost in loss of service to the rural population.

"The Commission must understand that a substantial segment of the Connecticut population, the residents of all of Litchfield County and a great part of New Haven County, included in the Fifth Congressional District which I represent, would suffer a serious disservice in this proposed departure from the acceptance of the laws of nature.

"It has been well established that UHF is neither effective nor desirable television service in sparsely populated areas, and in areas of rough, hilly, and wooded terrain. Consisting largely of such terrain, Connecticut and the Fifth Congressional District must look to VHF stations for television reception.

"The Commission has on file statistics showing that the elimination of channel 3 would deprive 44,814 residents of predominately rural and sparsely settled Litchfield County of a clear television picture. It would limit 104,004 residents of Litchfield County and of Naugatuck, Southbury, Middlebury, Waterbury, and Oxford, in New Haven County to single channel reception.

"The towns in Litchfield County most seriously affected by the elimination of any reception would be Sharon, Salisbury, North Canaan, Norfolk, Colebrook, Winchester, Barkhamsted, New Hartford, Torrington, Goshen, Cornwall, Harwinton, Litchfield, Warren, Kent, New Milford, and Bridgewater.

"The elimination of channel 3 would, in these circumstances, set Connecticut communications back immeasurably. It would cut off television communication between the capital of the State of Connecticut and communities which have welcomed and benefited from the wide range of news, entertainment, educational, weather, public service, and religious programing offered by channel 3. I find neither assurance nor guarantee in FCC studies and reports that UHF stations will provide the comparable service now or in the foreseeable future.

"It is interesting that strong objection to the deintermixture proposal has been voiced by other news media of Connecticut, including newspapers and radio stations whose editorial protests have been made a part of your file.

"I should like to call particular attention to the fact that on a previous occasion the Commission has held that the prospective loss of service by thousands of viewers required the retention of channel 3 in Hartford. This earlier opinion of the FCC was upheld by the court of appeals in Washington as 'not only rational but reasonable.' The Supreme Court of the United States sustained this decision. This position should not be reversed.

"As a Member of Congress, I have received communications from governing bodies and officials of many cities and organizations, in the form of resolutions opposing the removal of channel 3 from Connecticut, in addition to a large number of letters from individuals.

"Following are the sources of the resolutions coming to my attention:

"Board of Aldermen, City of Waterbury, Conn.; American Legion, Department of Connecticut, executive committee; town meeting, town of Middlebury, Conn.; junior membership, Connecticut State Federation of Women's Clubs; president's council, Connecticut State Federation of Women's Clubs; Connecticut Chiefs of Police Association; Board of Councilmen, City of Torrington, Conn.; board of directors, Manufacturers Association of Connecticut; Salisbury, Conn., town meeting; Connecticut State Grange; board of directors, Naugatuck Chamber of Commerce, Naugatuck, Conn.; board of directors, Chamber of Commerce, State of Connecticut.

"In each case the resolution praised the service currently provided to TV viewers in Connecticut and objected to the proposal to eliminate channel 3.

"I urgently recommend to the Commission that it recognize the wisdom of its previous ruling; that it consider the requests of Connecticut residents, communities, and organizations; and that it permit channel 3 to continue and enlarge upon its commendable VHF service to Connecticut viewers.

"In accordance with the provisions of section 1.54 of the Commission rules, 14 copies of this submission are filed herewith."

Mr. MONAGAN. The people of Connecticut have a vital interest in the retention of channel 3 at Hartford, and they have made known their feelings through letters and resolutions which have been received in my office in large numbers. Their interest has also resulted in the formation of the Governor's committee to which Senator BUSH has already referred. I have been privileged to be invited by Gov. John Dempsey to serve as a member of that committee, and I have been happy to do so.

I have been informed that over a quarter of a million residents of my State of Connecticut will be adversely affected if channel 3 is taken from Connecticut. It should be emphasized that past decisions of the FCC and the Supreme Court have held that public interest required the continued assignment of channel 3 to Hartford, Conn.

I wonder how many of the 250,000 Connecticut residents who will be injured by this deintermixture action are fully aware of the seriousness of the threat it poses to their news, entertainment, and public service programs, with or without the enactment of H.R. 8031.

I want it clearly understood by this committee, by the FCC, and by the residents of my State and of my district, that I support the expanded and enlarged use of UHF television channels where practical. It is possible that the development of more UHF channels will ultimately provide greater opportunity for television, as a public service and as a business enterprise. But I see no reason why the experiment with UHF must be at the expense of existing VHF channels and to the detriment and discomfort of present audiences. If there is to be an experiment with UHF, let it be in concentrated metropolitan areas where none will be left without reception.

It has been established that UHF is not effective in sparsely populated areas, and in areas of rough, hilly, and wooded terrain. Thus, it can be stated that UHF would not measure up to the standards of VHF presentation now enjoyed in Connecticut, whose rural and suburban areas are hilly and wooded.

I ask this committee to give the FCC the authority it seeks to require that all television receivers be fully equipped for VHF and UHF reception. I also ask this committee to protect the interests of 250,000 television receiver owners in Connecticut, by amending this measure to prohibit the deletion of WTIC channel 3 from Hartford, Conn. I ask this most specifically in the names of nearly 45,000 residents of the Fifth Congressional District, who are faced with a complete television blackout if this FCC experiment with UHF is permitted in spite of congressional and public objection.

Thank you, Mr. Chairman.

Annual Congressional Tour of New York City—May 18, 19, and 20

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1962

Mr. VAN ZANDT. Mr. Speaker, plans have been perfected for the annual congressional tour of New York City on May 18, 19, and 20, for Members of Congress and their families. The Department of Commerce of the City of New York, in its traditional role as host of these annual congressional tours, has cooperated in arranging an interesting 3-day program for the congressional delegation.

Some of the highlights of the tour include a sightseeing cruise of Manhattan Island, an afternoon in Chinatown, a visit to the world's first bronze and glass skyscraper, varied luncheons and buffet dinners, a fashion show, a visit to the new head office of the Chase Manhattan Bank, and so forth.

A copy of the official announcement which will be sent to Members of both branches of Congress is as follows:

SCHEDULE OF EVENTS

Friday, May 18: 9:45 a.m. daylight time we leave Union Station via the Pennsylvania Railroad. Luncheon in dining car. We arrive Penn Station 1:45 p.m. and buses

will take us to city hall, reception by Hon. Robert F. Wagner, mayor of New York City. Busses to Chase Manhattan Bank for reception and tour of banking facilities. Buses to Hotel Paramount; 6 p.m. buses leave hotel for Time & Life Inc., reception and dinner. Evening open to attend the theaters, movies, and so forth. (Movie tickets available at Hotel before 6 p.m., limited number.)

Saturday May 19: 9 a.m. buses leave hotel for the IOGWU breakfast, fashion show, and tour; 12 noon, buses to A.T. & T., reception, tour and luncheon; 3 p.m., buses to Paramount Hotel; 4:30 p.m., buses leave hotel for the Seagram Building—reception and tour; 6:15 p.m., buses to the Gladstone Hotel for dinner. Evening open for theater.

Sunday May 20: 10 a.m., buses leave hotel for sightseeing cruise of Manhattan Island; 12:30 p.m., buses leave pier for Chinatown—reception and lunch; 5:15 p.m., busses leave for Penn Station. Party will meet in Penn Station at track 13. Train will be ready for loading about 10 or 15 minutes before departure; 6 p.m. daylight time, train leaves for Washington. Dinner in the diner; 10 p.m. daylight time, due to arrive home.

Make your reservations today. Dial extension 4576, room 1104, House Office Building.

Summary of Replies to a Questionnaire—Part 3

EXTENSION OF REMARKS
OF
HON. JOHN R. PILLION
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1962

Mr. PILLION. Mr. Speaker, I am pleased to insert the third part of the tabulated results of the replies to my questionnaire. This part consists of the questions and replies for the sections entitled "Budget Expenditures, Disarmament, Nuclear Tests, Fallout Shelters, and United Nations."

The tabulated results follow:

BUDGET EXPENDITURES

To indicate the increase in Federal spending, a listing is given of selected 1956 and 1963 expenditures. Please indicate items you would like to decrease or increase (B equals billion dollars; M equals million dollars).

	Actual, 1956 (millions)	Proposed, 1963 (millions)	Decrease	Increase
31. Military; equipment, personnel	$35,000	$48,000	1,502	3,774
32. Military assistance (foreign)	2,600	1,400	4,018	1,448
33. Atomic energy, nuclear materials	1,600	2,800	842	4,415
34. Foreign aid, loans	1,800	3,000	4,984	855
35. Manned space flight, technology	71	2,400	1,080	4,114
36. Agricultural subsidies, services, research	4,800	5,900	4,577	1,385
37. Recreation, Fish, Wildlife Services	85	200	2,499	2,917
38. Land, forest, water resources	940	2,000	1,608	3,738
39. Aviation subsidies, air control	180	866	2,976	2,382
40. Urban renewal, public housing	35	675	4,148	1,677
41. Public assistance (Department of Public Welfare)	1,400	2,800	4,473	1,182
42. Health, Federal aid, and research	342	1,400	2,140	3,162
43. Education, college aid	44	541	2,208	3,328
44. Elementary, high school educational aid	181	457	2,574	2,939
45. Veterans' pensions, compensation, medical care	4,800	5,300	2,771	2,507
46. Legislative and judiciary operational costs	114	193	3,757	1,388
Total, 1956 budget expenditures	66,200			
Total, 1963 budget requests		92,500		

Disarmament, nuclear tests, fallout shelters, United Nations	Yes	No
47. Should the United States resume nuclear testing, and the production of all forms of nuclear weapons?	5,895	629
48. Should the United States continue disarmament and nuclear test ban negotiations with Soviet?	4,249	2,403
49. Do you favor a new Federal aid program of 60 percent of cost of fallout shelters for public schools, hospitals, other State-operated institutions, to cost $450,000,000 the 1st year but excluding commercial and privately owned buildings?	1,879	4,543
50. Shall the United States purchase $100,000,000 of United Nations bonds?	2,742	3,668
51. Does the U.S. membership in the U.N. serve a useful purpose?	4,769	1,524
52. Do you approve of U.S. sponsorship which admitted Soviet satellite Outer Mongolia to the U.N. last fall?	1,762	4,404
53. Do you favor Red China's admission to the U.N.?	1,014	5,451

Save the Mourning Dove

EXTENSION OF REMARKS
OF
HON. PAUL H. DOUGLAS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES

Tuesday, April 17, 1962

Mr. DOUGLAS. Mr. President, various groups wish to hunt down and kill the mourning dove. A fine Member of the House of Representatives from Minnesota [Mr. KARTH] has introduced a bill to protect this beautiful bird. I have had some correspondence with the director of conservation of Illinois, a very dear friend of mine, who wants me to oppose the bill to protect the mourning dove. I ask unanimous consent that the correspondence be printed in the RECORD.

Mr. President, the mourning dove injects a note of both beauty and melancholy which we need in city, suburban, and country life. I hope that we can protect the mourning dove.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

SPRINGFIELD, ILL.,
February 6, 1962.

Hon. PAUL H. DOUGLAS,
U.S. Senator,
Senate Office Building, Washington, D.C.

We urge your support in opposing passage of H.R. 9882.

WILLIAM T. LODGE,
Director,
Illinois Department of Conservation.

FEBRUARY 21, 1962.

Mr. WILLIAM T. LODGE,
Director, Illinois Department of Conservation, Springfield, Ill.

DEAR BILL: I have your telegram urging me to oppose passage of H.R. 9882, which calls for no hunting of the mourning dove. For a great many years I have regarded the mourning dove as one of nature's noblemen. A lovely and peaceful bird, its lilting call can be heard for hundreds of yards, much to the pleasure of those fortunate enough to be within range.

Your opposition to this bill confuses me, and so I write for the reasons supporting your opposition. I confess I have no scientific knowledge of the bird other than what I have observed in my passing glimpses of the species. Should it be hunted because it is a nuisance in some areas? Surely it is not needed for food, for then we should be in a sorry state to have to rely on such tidbits of meat for our protein supply. The feathers can't be in great demand, for already our Defense Department has hundreds of thousands of surplus feathers.

I will try to be objective about this, and if you will let me know the arguments against this bird, I will give every proper consideration to your request to oppose H.R. 9882.

With best wishes.

Faithfully,

PAUL H. DOUGLAS.

STATE OF ILLINOIS,
DEPARTMENT OF CONSERVATION,
Springfield, Ill., March 6, 1962.

Hon. PAUL H. DOUGLAS,
U.S. Senate
Senate Office Building
Washington, D.C.

DEAR SENATOR DOUGLAS: Replying to your letter of February 21, I would like to give you the following information as to why we feel that the mourning dove should not be placed on a protected list that would prevent the shooting of it any place in the United States.

The dove is hunted primarily for sport, although many people do eat them. They are an extremely sporting target, tricky in flight, hard to hit and they withstand heavy shooting pressures without any material effect on their numbers. The food and feathers from the dove are not of any great importance but, by the same token, neither is the food nor feathers from the bobwhite quail, the pheasant or, in fact, the duck.

The dove furnishes a very substantial portion of the total amount of hunting that is carried on in Illinois, about 20 percent of our hunters actually shooting doves, and probably killing more per hunter than of any other game bird. There is no question that there are probably more shells fired at doves than at any other game species, due largely to the fact that they are very hard to hit. Therefore, this particular type of hunting is of great importance to the revenues collected under the Pittman-Robertson excise tax on arms and ammunition, and its discontinuance would seriously affect the Pittman-Robertson program of wildlife management and restoration.

Hunting of the dove has not proved to be an important factor in determining the total dove population nor in effecting population fluctuations. Despite continued hunting with liberal seasons and liberal bag limits, the total population is increasing. States which do not hunt doves do not produce nor hold any more birds than do those which do shoot them. It has been stated by certain individuals that the hunting season in Illinois interferes with the nesting of the doves, but research which has been carried on by our department and by the natural history survey of the State of Illinois shows that less than 2 percent of the birds are still nesting when our season opens on September 1.

To sum up our position, we have nothing against this bird and are very anxious to continue research in the production and management of it, so that we can continue to have it as a game species. We do not feel that the sentimentality often entering into the picture of dove hunting: that it is the bird of peace, that is a gentle bird which should not be subjected to hunting pressure and other such sentimental feelings, should be allowed to influence the decision regarding the management of this species as a game population.

Yours very truly,

WILLIAM T. LODGE,
Director.

MARCH 15, 1962.

Mr. WILLIAM T. LODGE,
Director, Illinois Department of Conservation, Springfield, Ill.

DEAR BILL: Thank you for your letter outlining the reasons why the mourning dove should be hunted. I have read your reasons carefully and tried to be as objective about this as possible. However, I confess the more I read and ponder the question, the more I feel myself siding with the dove. I felt a pang of anxiety when you wrote that probably more shells are fired at doves than at any other game species. I sighed with relief when you further wrote that this was due largely to the fact that the doves are very hard to hit. I am glad to know that their ability in flight is often superior to that of the hunter in chase.

I realize that this type of hunting is of great importance to the revenues collected on the excise tax on ammunition. I also realize that it is important to the doves themselves. None of us like to be shot, and I believe this also holds true for the doves.

I cannot in good conscience oppose H.R. 9882, which calls for the protection of the mourning dove. This bird is not so populous as to be a nuisance, it does no damage to farm crops, and it in no way poses a threat to the safety of the barnyard fowl and livestock. My reason for approving this bill is none other than a lifelong love of the dove.

With best wishes,
Faithfully yours,

PAUL H. DOUGLAS.

Taxing of Farmer Cooperatives

EXTENSION OF REMARKS
OF

HON. HERMAN T. SCHNEEBELI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1962

Mr. SCHNEEBELI. Mr. Speaker, the new tax bill contains some unsound provisions, particularly the provisions relating to the taxing of farmer cooperatives.

Here, for the first time, Congress proposes to upset by legislative fiat the principle of voluntary cooperation which has been the basic principle of all bona fide American farm organizations for nearly a century.

The amended clause for taxing the dividends of farmer cooperatives, which the Ways and Means Committee wrote into the tax bill at the last moment, is based entirely on the principle of "compulsion." If it should become law, this bill would transfer the ultimate authority over co-op policies and co-op finances from the farmer members, where it belongs, to the professional co-op managers.

The farming community has long prided itself that its affairs are carried on in the spirit of free men operating in a free society. This bill would nullify that claim. This bill would compel the farmer to pay a tax on money he has not received and may never receive.

The Revenue Act of 1962 as it is now drafted authorizes the farmer cooperatives, if its bylaws so provide, to retain dividend funds or patronage refunds indefinitely, while the individual farmer member is compelled to pay the tax. If he balks at paying the tax on money he never gets the farmer has only one recourse—to quit the co-op entirely.

Thus, the principle of the union shop is introduced into the voluntary association of American farmers. The notion that the farmer can cure the situation by resigning is both unrealistic and untrue. It is like saying that a worker who does not like the union shop has a remedy—to quit his job. In large areas of American agriculture, membership in the local co-op is not only advisable for the individual farmer but an absolute requirement if he wants to market his produce. This is true because in the case of many products like citrus fruit, lemons, and other fruits and perishables, the market is entirely in the hands of the cooperatives. If the farmer should attempt to go it alone he would find himself without a buyer.

If the Congress can legally pass control of the farmers' funds over to the co-op managers, then Congress has the legal power to take the next logical step and compel the farmer to join a co-op or other farm organization whether he wants to or not. If some Members of the House believe this conclusion to be absurd, please let him consider what the courts said in nullifying the last attempt which Congress made to tax the dividends of farmer cooperatives.

In nullifying the legislation on co-op taxation which Congress enacted in 1951, the court said it was incredible that Congress intended to inflict on co-op patrons the "hardships and burdens" of paying income taxes upon money they never received and might never receive. Yet this is precisely what the Ways and Means Committee proposes to do in this statute. If you are still a doubter, read what the court said in the case of Long Poultry Farms, Inc. against Commissioner, the classic case in this matter. The court said:

> To require the inclusion in income of contingent credits such as are here involved, would be to require the patrons of cooperatives to pay tax upon income which they have not received, over which they have been given no control, and which they may never acquire. Apart from the question of the constitutionality of such a requirement, which would be a serious one, it is a safe assumption that Congress never intended to impose upon the patrons of cooperatives the hardships and burdens which the taxability of these contingent credits would involve.

But what the court thought was incredible, the revenue bill wants us to do. In another case, B. A. Carpenter against Commissioner, the court rejected the doctrine that the farmer had taken his dividends and had then voluntarily reinvested them in the co-op. Said the court:

> The petitioner never had any real dominion or control over the funds represented by certificates. The decision to retain the funds in the business rested solely with the directors. The certificates themselves had no fair market value and we do not see that whether or not the cooperative was obliged to issue such certificates adds anything significant to the situation.

This present statute does precisely what the courts said Congress should never do—try to tax an individual for money he never received and might never receive. It has established the dangerous principle that farmers may, in effect, be required to join a farmer cooperative. Why not go further and write legislation requiring that farmers be required to join a farm organization, since these perform services beneficial to all agriculture. For years now farm spokesmen have opposed such devices as the union shop, whereby workingmen have been compelled to join a labor organization as a requisite of employment. Will these same farm spokesmen now embrace this principle for farm organizations? I doubt it.

Let us consider an individual case to demonstrate the absurdity of this provision. A patron, or farmer, is notified by the co-op that an annual dividend of $100 has been allocated to him on the books, but as the co-op wants the cash, he will be paid nothing. At most, the farmer will be entitled to a credit for the 20-percent withholding tax paid by the co-op. However, he is liable for tax payment on the full amount. The next year he gets another book allotment of $100 and no cash, and the third year the same thing.

Would this be an isolated case? By no means. A study by the Farmer Cooperative Service of the U.S. Department of Agriculture revealed that about 90 percent of the co-ops now have bylaws authorizing the directors to keep co-op dividend money as long as they wish, regardless of the will of the patron. In other words, most of the co-op members already are bound by this legislation to pay a tax on money they may never receive. And the present bill authorizes the remaining 10 percent to adopt similar bylaws if they wish.

In practice, how long do the co-ops retain dividend funds? According to the Department of Agriculture, the time varies from 3 to 15 years. In other words, under this bill a farmer could be compelled to pay income taxes for 15 years on funds he has not received and might never receive. He might be compelled to pay for many more years.

This bill will not achieve its basic purpose of imposing a single tax on the dividends of farmer cooperatives. But it will increase immeasurably the autocratic control of the professional co-op managers over funds which rightfully belong to the farmer. Ironically, in first exempting marketing co-ops from payment

of the Federal corporation tax, Congress laid down the fundamental rule as a first requirement that the co-ops must be democratically organized and democratically managed.

This bill is the antithesis of democracy. It takes away from the farmer control over his own money. It gives the professional co-op managers a degree of control over the funds of members or stockholders which Congress would never dream of giving to an industrial corporation. This bill takes away from the farmer both his money and his rights and deposits them with a small group of co-op directors or managers, exactly what years ago Congress tried to avoid.

At stake in this measure is something more than an abstract debate concerning the need for democratic control over farmer cooperatives. There is something more concrete at issue. A study made by the Farmer Cooperative Service about 4 years ago revealed that a group of 1,157 associations were holding $510 million in "revolving capital." The term "revolving capital" is the euphemism employed to describe money belonging to the members which is held back by the co-op managers to be used for expansion purposes.

This group of 1,157 studied by the Department of Agriculture comprise about one-sixth of all the farmer co-ops in the country, about 70 percent of which qualify for exemption from the corporate income tax under the regulations of the Treasury Department.

However, on the basis of what we know, it seems reasonable to assume that the total of patronage or dividend funds being held by the co-op directors is in excess of $3 billion.

This is tax avoidance on a massive scale. When Congress first exempted marketing co-ops from the corporate tax and later gave the same privilege to purchasing co-ops, it never intended that co-op dividends should likewise be free from income tax payments. But this is exactly what is happening.

By the device of holding back dividend money which rightfully belongs to the farmers, the co-ops have managed to avoid paying taxes at either level. This is a privilege granted no other group of citizens in the United States.

With the Federal tax on corporation profits fixed at 52 percent, plus the tax on personal income, it is safe to say that if industrial corporations had held back this $3 billion, in unpaid dividends, Uncle Sam would have collected more than half in taxes.

Who wants this business of taxing farmers on money they never get, which has been written into this bill, and which the courts said is incredible?

Oddly enough, the committee, in redrafting, followed the precise language wanted by the National Council of Farmer Cooperatives. This organization represents the interests of the professional managers who run the co-ops.

Who will benefit by this provision? Again, oddly enough, the co-op managers.

Why did they want this particular amendment? Because it gives them control over the money of the farmer which they could never get from the farmer himself. No man who tills the soil would be foolish enough to commit himself voluntarily to pay taxes for 15 years or more on money he may never get.

Armed with this new power, if Congress enacts this provision, the professional co-op managers can expend on a scale never known before. They can pass beyond the processing of agricultural products and take up manufacturing in a big way, as some already are doing. There is nothing to prevent them from entering the steel business to make farm implements, the textile business, the clothing manufacturing business, the making of drugs and insecticides, or any other line which may suit their fancy.

With full control over the purse, the professional managers will have gained full control over policy. The rule of the farmer in the tax-exempt co-op will be over.

Legislative Questionnaire

EXTENSION OF REMARKS
OF

HON. WILLIAM H. AVERY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1962

Mr. AVERY. Mr. Speaker, during the fall months, I mailed a questionnaire to every family in my congressional district, identified through the telephone directories. Over 100,000 questionnaires were mailed out, and I received about a 10-percent return.

There were 19 questions in this questionnaire, many of them having more than one part. These questions were directed to legislative matters, as well as major policy decisions of this administration.

Believing that this information may be of interest to my colleagues, Mr. Speaker, under unanimous consent I insert the tabulated results of the response to this questionnaire in the RECORD.

	Percent		
	Yes	No	No opinion
1. If more Federal spending is necessary for national defense should the money—			
(a) Be raised by increased taxes?	40	39.0	21.0
(b) Be financed through deficit spending?	18	54.0	28.0
(c) Come by a postponement of domestic programs now planned?	72	15.0	13.0
2. Do you favor Federal aid to education for—			
School construction?	39	54.0	7.0
Teachers' salaries?	19	74.0	7.0
Parochial and private schools	10	83.0	7.0
3. Under existing world tensions, do you believe a summit meeting between President Kennedy and Premier Khrushchev would be helpful?	24	64.0	9.0
4. Do you believe the $40,000,000 Peace Corps mission is necessary for the success of our foreign policy?	19	60.0	21.0
5. Do you favor resumption of nuclear testing in the atmosphere if necessary, notwithstanding the fallout hazard and world opinion?	49	42.0	9.0
6. Do you favor medical care to the aged program?	50	41.0	9.0
If so, should it be financed by—			
(a) Social security?	39	39.3	51.7
(b) Federal grants to State medical aid programs?	19	49.0	32.0
(c) No Federal program assistance, leaving it to the States?	44	28.0	28.0
7. Do you favor increased postal rates to reduce the Department deficit?	54	39.0	7.0
8. Do you favor the foreign aid program with long-range planning?	46	38.0	16.0
(a) Financed by Treasury borrowing (back-door spending)?	8	63.0	29.0
(b) Financed by annual appropriations by Congress?	63	21.0	16.0
9. Do you believe we need more civil rights legislation?	30	54.0	16.0
10. Do you believe our world prestige is as high as in January 1961?	45	39.0	16.0
11. In view of the recall to military duty of many men, do you believe current reserve and draft programs are effective and equitable?	54	19.0	27.0
12. Do you think labor union leaders should be permitted to call a nationwide strike in an industry which affects all phases of our economy, such as the transportation industry?	7	89.0	4.0
13. Should we abolish the loyalty oath now required in the National Defense Education Act?	10	76.0	14.0
14. Do you favor the use of U.S. military forces to defeat Castro in Cuba?	47	38.0	15.0
15. Do you think we need intensified fallout and bomb shelter programs?	36	48.0	16.0
(a) Should the Federal Government pay part of the cost?	24	59.0	17.0
16. Do you favor extending production and price controls to farm commodities not now included?	12	76.0	12.0
17. Do you favor a GI educational benefits program for peacetime veterans?	32	60.0	8.0
18. Do you believe the Federal Government should have control over TV and radio programs?	24	67.0	9.0
19. Number the following issues in the order of their importance to you:			
1. National defense	5. Foreign affairs	9. Civil defense	
2. Balanced budget	6. Juvenile delinquency	10. Social security	
3. Reduction in Government spending	7. Labor problems	11. Federal aid to education	
4. Inflation	8. Farm problem	12. Veterans' benefits	

Iran a Real Ally—The Case Against Neutralism

EXTENSION OF REMARKS
OF
HON. JOE L. EVINS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 17, 1962

Mr. EVINS. Mr. Speaker, the recent statements by the Shah of Iran were refreshing and encouraging.

In his recent appearance before the joint session of Congress the Iranian leader showed his appreciation of the assistance this country has provided his nation in the past. He also made it clear that a nation, even though it shares a common border with the Soviet Union, is not required to proclaim a neutralist policy in order to remain free and strong and to escape extreme Soviet pressure.

Mr. Dan Brown, of Sparta, Tenn., who has served in the Foreign Service in the Near East for a number of years and who was assigned to accompany the Shah on his visit to the United States, has written a short article on the Shah's visit which I was pleased to include in my weekly newsletter. Columnist Roscoe Drummond has also written of the Shah's visit and has pointed out that our distinguished visitor is indeed a real ally of the United States.

Mr. Speaker, under unanimous consent I include my newsletter entitled "The Shah of Iran Addresses Congress," and Mr. Drummond's column, entitled "A Real Ally—The Case Against Neutralism," in the RECORD.

THE SHAH OF IRAN ADDRESSES CONGRESS

The House and the Senate met in a joint session this week to hear an address delivered in English by the Shah of Iran, a friendly ally visiting in the United States.

Iran, situated in the Middle East, is larger than Texas, rich in oil reserves, and geographically adjacent to Russia, but ideologically is allied with freedom and the United States. She is a stanch foe of communism and an ally of our country.

Because of his knowledge and experience and having served in this area of the world, I have asked Dan Brown, of Sparta, White County, Tenn., our own district, who is a Foreign Service officer and Chief of the Near East and South Asia Press Section of our Government, to serve as guest writer this week. Dan Brown has been assigned to travel with the Shah during his visit. The following is his report:

"Shah Mohammed Pahlavi, of Iran, came to Washington this week for meetings with President Kennedy and top officials of the State and Defense Departments. Iran is a stanch ally of the United States. We are allied with Iran through a bilateral defense agreement and associated with her through working committees of the Central Treaty Organization. We have contributed around $1 billion in aid to this Middle Eastern country. Approximately half of this aid has been in military supplies and training to help stiffen Iran's military backbone against the Soviet Union.

"In his address before the Congress, the Shah told the American people of the hopes and aspirations of the people of his country.

" 'We are endeavoring,' he said, 'to give a firm foundation to our reform activity by evolving a government of the people, by the people. We are building local self-government from the bottom up.'

"Iran, the Shah said, is firmly determined to defend itself.

" 'I have no doubt,' he continued, 'that it is to your advantage that our allies should have this resolution. Unfortunately, today the old-fashioned arms are no longer of use for defensive purposes, and an army would be helpless without the modern weapons of warfare, however high its morale and however firm its determination.'

"Halfway through his prepared speech the Shah departed from his text and said: 'I recognize that the United States is carrying a very heavy burden in the defense of freedom across the entire world, and that many of you are tired of carrying this burden for so long a time.

" 'You have so far borne this task. It is not yet finished. The threat to freedom and security remains strong and aggressive.

" 'You must decide whether it is in the interest of the United States for this struggle to be successful, but I can assure you that whatever your decision may be, the people of Iran have not maintained their freedom for 2,500 years in order to now surrender.'

"The applause of the legislators was long and sustained. This is a language the American lawmakers and taxpayers understand and it is an attitude that is appreciated.

"I have found in traveling around the United States in recent months with a number of heads of foreign states that one thing has struck me forcibly; namely, that our American people are willing to pay taxes to support a free world defense effort when they are convinced that their money is going to a country with the will to defend itself and to share its part of the sacrifice to preserve freedom."

[From the Washington Post, Apr. 16, 1962]

A REAL ALLY—THE CASE AGAINST NEUTRALISM

(By Roscoe Drummond)

I should like to say a few words against neutralism. I have been talking with one of the most committed, fearless nonneutrals of them all, the Shah of Iran—and it was an exhilarating experience.

It is fashionable in Washington these days to lay it on pretty thick about how we esteem, how much we want to work with and aid the neutral nations as they look benignly on both sides in the East-West struggle.

I am not saying that this U.S. policy is wrong. It is in our national interest to aid neutral nations to achieve a degree of economic progress which will enable them to safeguard their independence and resist the shortcut, deceptive appeals of Communist propaganda.

American aid does not and should not rest on the premise that the recipient countries must not be neutralist—if they choose to be—or must fashion their economies in the image of the United States. Our overriding objective is to help raise the standard of living and strengthen the independence of both allies and neutrals.

This is fine. It became the policy of the Eisenhower administration. It is the policy of the Kennedy administration.

But in our effort to cooperate with and to give economic help to the neutralist countries, let's not slip into the groove of thinking that neutralism is a policy of special virtue or is a noble thing in itself. It isn't.

Neutralism is the refusal to choose openly between the foreign policy goals of the Soviet Union and those of the Western allies, or to give a nation's support to the side which is nearer right.

The alternative to neutralism is not anti-sovietism; the alternative is collective security, the willingness of a people and its government to stand up and be counted in active behalf of the common security.

The right to be neutral expresses a national sovereignty America respects. But let's not praise it as any resplendent ideal. I do not call it immoral, but I call it less than worthy. A commitment to the common defense of everybody's independence is far better.

This is the commitment of the Shah of Iran, who in addressing Congress urged continued American aid, but declared simply and without reservation that, whatever America decides, Iran will never go over to the other side. It will resist Communist aggression whether alone or in alliance.

There's an ally for you.

The Western Allies, whether in NATO or SEATO (in southeast Asia) or CENTO (in the Near East), are not seeking to impose anything on or take any action against the Soviet Union or Red China. They are simply seeking together to preserve their own independence. The only thing they ask of the Communist nations is to refrain from aggression in all its forms.

The point I want to make is this: Unquestionably it is the right of any nation to choose neutralism, to choose aloofness, and detachment from the great epochal struggle for human freedom. But in recognizing that right, let's not raise it to the level of a shining virtue or pretend that it is better for the free world for the neutrals to stand aside.

Think what it would mean if India and Sweden, Burma, Cambodia, and Laos, the stable nations in Africa, should say to each other and to the world: "The independence and freedom from encroachment of each are essential to the independence and freedom of all; from here out we will pool all our resources in the cause of our collective defense; we are not joining against anybody; we are joining together to secure our common freedom."

This is the stand which distinguishes the Shah of Iran, the brave and committed leader of a nation long harried by the Soviets. This is the stand taken by Turkey and Pakistan and Norway, by all the NATO countries.

Omaha Youth Thanks the U.S. Taxpayers

EXTENSION OF REMARKS
OF
HON. GLENN CUNNINGHAM
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 17, 1962

Mr. CUNNINGHAM. Mr. Speaker, modern-day youth is the target of criticism and condemnation from all sides. Supposedly he is lacking in discipline and consideration of others, he is an ingrate and knows nothing of the meaning of responsibility. Every newspaper we pick up carries accounts of his misdeeds and shortcomings.

This morning, however, I picked up a newspaper which carried a different story—a shining example of the type of young people we have in my hometown, and, I am sure, in many other parts of our country also. This story was told in a letter to the editor but it is intended for all American taxpayers. In order that my colleagues and all Americans might receive the message, I include the

letter which appeared in the "Public Pulse" column of the Omaha World-Herald:

THANKS TO TAXPAYERS

OMAHA.—I write in thanks to our country's taxpayers.

My naval ROTC appointment is an investment on their part.

I will do my best to return a dividend.

EVAN A. ASH, Jr.

Mr. Speaker, who could doubt, after reading the letter, that this young man will return a dividend on his country's investment in him?

Guns, Patriotism, and Crime

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1962

Mr. ANFUSO. Mr. Speaker, on January 3, 1961, I introduced a bill, H.R. 613, which would require the registration, under the auspices of the Federal Bureau of Investigation, of all firearms owned by private individuals. The bill was referred to the House Judiciary Committee for consideration. The committee has obtained reports on the measure from several interested Government agencies, but no hearings have been held on it to date.

In recent weeks several extremist groups have begun a violent campaign against this bill urging people to write to me and to their Congressman voicing opposition. They are entitled to their opinion. The only trouble with these letters is that the writers have been stirred up by demagogs and their letters are most abusive and insulting. Instead of presenting their views and arguing intelligently with facts, the writers resort to name calling and vituperation.

What disturbs me, however, is not the contents or the tone of these letters. I am suspicious of the motive behind this whole campaign. I believe that certain extremist rightwing groups are using organized pressure tactics against this measure. These groups have raised the cry that my bill is seeking to take away guns from those who have a right to possess them. This is not the intention of the bill. Its sole purpose is to prevent firearms from getting into the hands of minors and juvenile delinquents, and thus help solve the crime problem.

Mr. Speaker, I have sent a letter to the Honorable EMANUEL CELLER, chairman of the Judiciary Committee, requesting that hearings be scheduled on the bill at an early date. In view of the interest in this matter, I am inserting into the RECORD the text of my letter to the chairman. It reads as follows:

APRIL 13, 1962.

Hon. EMANUEL CELLER,
Chairman, Committee on the Judiciary, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Last year I introduced a bill, H.R. 613, which would require the filing of a registration statement with the FBI with respect to pistols possessed by private individuals. The bill was referred to your committee. I believe the time is ripe for hearings on the measure.

In recent weeks I have received letters from various parts of the country expressing opposition to the bill in the most vehement terms. Other Members of Congress, too, have received such letters. I discovered that some extremist rightwingers have begun, what appears to me, as organized pressure against this bill, which makes me suspicious of their motive. In an effort to justify their activities and to demonstrate that they are great patriots, they have deliberately distorted the purposes of the bill.

The purpose of my bill is a very simple one. It is intended solely as a measure to combat crime and juvenile delinquency. Almost daily we see reports in the press, particularly in the large cities where crime has become almost uncontrollable, of all sorts of criminal acts against innocent and peaceful citizens. Murder, robbery, rape, and other heinous crimes have made life miserable in the large cities of our Nation, especially after dark.

I am the father of five children and a former judge on the bench in New York where I was confronted daily with tragedies resulting from acts of crime. Many of these could have been prevented, if we had only been more rigid in controlling the sale of pistols, revolvers, guns, and other weapons to criminals and to minors.

The one and only purpose of my bill is to see that deadly arms do not get into the hands of youngsters and juvenile delinquents who have no business possessing these weapons, as well as in the hands of gangsters and hoodlums who terrorize decent American citizens. The bill is, in my estimation, a way to check crime—and nothing more.

There is no intention on my part to take away arms from those who have every legitimate right to bear arms. My bill does not seek to disarm police, law enforcement officers, hunters, law-abiding citizens, and others who have a need for such arms. I have no quarrel with them, nor am I questioning their rights in the matter which I recognize as a constitutional guarantee.

I am interested only in finding a way to prevent deadly weapons from being easily available to criminals. I think it can be accomplished if we set up a registration system of guns in private possession, under the auspices of the FBI. I have utmost faith in the FBI and its very able Director, the Honorable J. Edgar Hoover, an outstanding American, in whose hands we can entrust a responsible task of this kind. If necessary, it can be stipulated that the registration lists are to remain confidential and the sole property of the FBI, and that they be used only in the effort to eradicate crime.

The New York Journal-American of April 6, 1962, published an editorial in support of my bill. The Journal-American, a Hearst newspaper, has a long record of fighting for many patriotic causes. But it also knows the problem we face in the big cities in combating crime. I quote herewith for your information the full text of the editorial:

"WAY OFF TARGET

"One of those far-right sheets is flooding the mails with a plea for protests against a bill introduced in Congress by Representative VICTOR L. ANFUSO, Democrat, of Brooklyn, which would require all pistols to be registered with the United States.

"'They want to pick up your guns,' screams the headline. It seems that all this is a plot by the internationalists who cannot get control of the United States until they have seized the firearms of the people.

"What rot. We assume the "firearms of the people" include the gun with which an inhumanly vicious mugger shot a 58-year-old grandmother in the face although she put up no resistance when he robbed her of $25.

"When this sadist is captured he should get the limit of the law. And the police should find out how he came by this 'firearm of the people.'"

The alarmists instigating the public against the bill know that they are not honest with the people. They are not interested in presenting the true facts concerning the crime problem in the cities. They are not seeking to help our country solve this problem. They are, however, promoting chaos and disorder by their vicious attacks and are undermining the faith of the people in our national leadership. In this way they are playing into the hands of the Communists under a cover of patriotism.

Mr. Chairman, in the light of these attacks against my bill, I urge you to schedule early hearings on it. I would further suggest that you summon these individuals and let them present their views to your committee, and I shall present my views as to how this bill can help the country solve the difficult crime problem. Then let each member of the committee and every Member of Congress vote according to his conscience.

Sincerely yours,

VICTOR L. ANFUSO,
Member of Congress.

Mr. Speaker, I am also inserting into the RECORD two items from the New York Journal American of Sunday, April 15, 1962, one an editorial "Secret Arsenal?" and the other a news article "ANFUSO Assails Foes of Arms Bill." Both of these—especially the editorial—show strong support for my bill. They read as follows:

SECRET ARSENAL?

Why should anyone who has a legitimate reason for possessing firearms object to having the weapons registered with the FBI?

Such a requirement is no more a restriction of individual liberty than is a fishing license.

Yet a powerful wave of organized pressure is building up against a measure sponsored by Congressman VICTOR L. ANFUSO, Democrat, of Brooklyn, which would require such registration in order to keep guns out of the hands of criminals, juvenile delinquents, and other irresponsible elements.

How extensive this pressure is was disclosed by the Congressman in a letter to the Journal-American after we commented on the hysteria shown by some of the far-right groups that are attacking this bill. He said he is being subjected to threats and flooded with letters from people who have been misled by propaganda distorting the purpose of the bill.

Most sinister of all, Mr. ANFUSO says the nature of the attacks has aroused "a very strong suspicion that some of the fanatic groups in this country are building up secret arsenals, ostensibly for use in a struggle against communism, but actually to be used some day against our own citizens of different race, creed, color, or national origin."

This is a shocking charge. The threat of armed force by any group, regardless of the motives, is repugnant to decent Americans.

To bring the opposition into the open, Mr. ANFUSO has asked Representative EMANUEL CELLER, chairman of the House Judiciary Committee, to schedule early hearings on the bill.

You can help to keep guns out of the hands of criminals and irresponsible elements by clipping and signing this editorial and mailing it to Representative EMANUEL CELLER, House of Representatives, Washington 25, D.C.

ANFUSO ASSAILS FOES OF ARMS BILL

Representative VICTOR L. ANFUSO, Democrat, of Brooklyn, warned yesterday that "organized pressure" tactics by certain groups are being exerted in opposition to his congressional bill to fight crime through compulsory registration of all privately owned firearms.

"In an effort to justify their activities and to demonstrate that they are great patriots," he said, "they have deliberately distorted the purpose of the bill."

The Brooklyn legislator stressed that his bill is "intended solely as a measure to combat crime and juvenile deliquency" by having all privately possessed guns registered with the FBI.

"There is no intention to take away arms from those who have legitimate right to bear them," he added.

"My bill, introduced last year, does not seek to disarm hunters, law-abiding citizens and others with a need for such arms."

NOT GIVING FACTS

Representative ANFUSO referred to the "pressure groups" opposing the bill as "far-right extremists who know they are not honest with the people."

"They are not presenting the true facts about crime problems in cities, and they are not seeking to help our country solve this problem by fighting the bill."

He expressed conviction that many acts of crime could be prevented if a rigid control of pistols and other weapons to minors and criminals were established.

"Murder, robbery, rape, and other heinous crimes have made life miserable in large cities, especially after dark. Many of these crimes could have been prevented if we had only been more rigid in controlling the sale of pistols, revolvers, guns and other weapons to criminals and minors."

Representative ANFUSO, in a letter to Representative EMANUEL CELLER, chairman of the House Judiciary Committee, also a Brooklyn Democrat, urged hearings on the bill be scheduled as soon as possible.

PRAISES PAPER'S STAND

In a letter to Kingsbury Smith, New York Journal-American publisher, Representative ANFUSO reemphasized the importance of his bill toward reducing crime, and expressed appreciation for this newspaper's support in that direction.

"I want to commend you for the editorial, 'Way Off Target,' which appeared in the New York Journal-American on April 6," he wrote. "You have rendered a real service to genuine American patriotism."

He called attention to the editorial's reference to "those far-right sheets" flooding the mails with protests against the bill, and disclosed that he had received threatening letters—"calling me vile names and accusing me of the basest intentions, all because I introduced a bill to check the growth of crime and juvenile deliquency."

"Your fine newspaper," he wrote, "can render an important service to our Nation, to its future freedom and welfare, by exposing these groups and their devious aims."

TEXT OF EDITORIAL

Representative ANFUSO, in his letter to Representative CELLER, sent a copy of the Journal-American editorial "Way Off Target," which was as follows:

"One of those far-right sheets is flooding the mails with a plea for protests against a bill introduced in Congress by Representative VICTOR L. ANFUSO, Democrat, of Brooklyn, which would require all pistols to be registered with the United States.

" 'They want to pick up your guns' screams the headline. It seems that all this is, is a plot by the internationalists 'who cannot get control of the United States until they have seized the firearms of the people.'

"What rot. We assume the 'firearms of the people' include the gun with which an inhumanly vicious mugger shot a 58-year-old grandmother in the face although she put up no resistance when he robbed her of $25.

"When this sadist is captured he should get the limit of the law. And the police should find out how he came by this 'firearm of the people.' "

Representative ANFUSO's letter to Representative CELLER concluded:

"The Journal-American, a Hearst newspaper, has a long record of fighting for many patriotic causes. But it also knows the problem we face in big cities in combating crime."

HOUSE OF REPRESENTATIVES

WEDNESDAY, APRIL 18, 1962

The House met at 10 o'clock a.m.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Revelation 19: 6: *The Lord God omnipotent reigneth.*

O Thou who art the Supreme Ruler of the universe, may we continue to cling with increasing tenacity of patience and perseverance to the eternal truth that nothing can ultimately frustrate and defeat us if we follow Thy divine will.

Make us confident that we need never to surrender to those diabolical forces which are daily mocking our human frailties and tempting us to break faith with our nobler and better self.

Grant that we may not retreat from the fields of battle for truth and righteousness, but be eager to participate to the fullness of our ability until Thy kingdom shall be gloriously triumphant.

In Christ's name we give Thee all the praise. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 449. A joint resolution providing for the establishing of the former dwelling house of Alexander Hamilton as a national memorial.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 10607. An act to amend the Tariff Act of 1930 and certain related laws to provide for the restatement of the tariff classification provisions, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1057. An act to provide for a National Portrait Gallery as a bureau of the Smithsonian Institution.

The message also announced that the Presiding Officer had appointed the Senator from Colorado [Mr. CARROLL] a member of the Board of Visitors to the U.S. Air Force Academy, in place of the Senator from Nevada [Mr. BIBLE], excused.

The message further announced that pursuant to Public Law 86–420, section 1, the Presiding Officer also had appointed the Senator from Alabama [Mr. SPARKMAN], the Senator from Oregon [Mr. MORSE], the Senator from California [Mr. ENGLE], the Senator from Florida, [Mr. SMATHERS], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Montana [Mr. METCALF], the Senator from Indiana [Mr. CAPEHART], the Senator from California [Mr. KUCHEL], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Texas [Mr. TOWER] to the Mexico-United States Interparliamentary Conference to be held in Washington, D.C., from May 14 to May 17, 1962.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1963

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 11289) making appropriations for the Department of Defense for the fiscal year ending June 30, 1963, and for other purposes.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 76]

Addonizio	Fogarty	Powell
Andrews	Friedel	Rains
Arends	Grant	Rhodes, Pa.
Ashley	Gray	Rivers, S.C.
Bailey	Green, Oreg.	Roberts, Ala.
Blitch	Hansen	Scott
Bolling	Harvey, Ind.	Selden
Bonner	Hays	Shelley
Boykin	Hébert	Smith, Miss.
Brewster	Hoffman, Mich.	Spence
Brooks	Huddleston	Steed
Cahill	Jones, Ala.	Thomas
Celler	Kearns	Thompson, N.J.
Chiperfield	Kee	Thompson, Tex.
Clark	McDonough	Tollefson
Coad	McSween	Utt
Cooley	Macdonald	Vanik
Cramer	Moeller	Weis
Dowdy	Moulder	Westland
Downing	Murray	Whitten
Elliott	Norrell	Wilson, Ind.
Fascell	Patman	Zelenko
Fino	Pilcher	